

167161

JPRS-SSA-87-028

30 MARCH 1987

Sub-Saharan Africa Report

19980611 158

DISTRIBUTION STATEMENT A

Approved for public release;
Distribution Unlimited

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL
INFORMATION SERVICE
SPRINGFIELD, VA 22161

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-SSA-87-028

30 MARCH 1987

SUB-SAHARAN AFRICA REPORT

CONTENTS

INTER-AFRICAN AFFAIRS

African Petroleum Producers Association Meets (NEW NIGERIAN, 28, 29 Jan 87; DAILY TIMES, 28 Jan 87)	1
Draft Statute Ratified, Provisions Statute Signed by Majority of Attendees Egypt, Libya Agree To Work for Association's Survival	1 2 2
Study Urges Reevaluation of Industrial Priorities (Sebastien Laborie; JEUNE AFRIQUE ECONOMIE, Dec 86)	4

ANGOLA

West Accounts for Over 80 Percent of Foreign Trade (O JORNAL, 30 Jan-5 Feb 87)	10
Briefs 'Independent Democrats' Message	13

GUINEA-BISSAU

Vieira's Visit to London Assessed (Fernando de Sousa; DIARIO DE NOTICIAS, 20 Dec 86)	14
Briefs French Influence Increases	16

MOZAMBIQUE

Red Cross Storage Bins Go Up With Swedish Help (THE HERALD, 9 Feb 87)	17
--	----

Palestinian Women's Union Official Stresses Solidarity (NOTICIAS, 20 Feb 87)	18
Chissano Calls for Austerity in Maputo Speech (NOTICIAS, 3 Feb 87)	20
Labor Minister Discusses Salary Increases, Taxes (Aguiar Mazula Interview; NOTICIAS, 2 Feb 87)	23
New Executive Councils To Be Restructured (NOTICIAS, 5 Feb 87)	27
New Beverage, Tobacco Prices Announced (NOTICIAS, 5 Feb 87)	29
Sofala Highway Rehabilitation Project Underway (Izequiel Guazai; NOTICIAS, 5 Feb 87)	31
Water Resources Institute To Be Created Soon (NOTICIAS, 5 Feb 87)	33
Light Industry Secretary Explains Economic Rehabilitation Program (Francisco Caravela Interview; NOTICIAS, 20 Feb 87)	35
Food Aid for MNR Victims in Manica (NOTICIAS, 30 Jan 87)	42
Breakdown by Province of People Needing Emergency Aid (THE ARGUS, 18 Feb 87)	44
Tete Refugees Find Shelter in Moatize Railway Yard (Omar Ahmid; THE SUNDAY MAIL, 22 Feb 87)	45
Sussundenga Farmers Get Ready for Harvest (NOTICIAS, 4 Feb 87)	46
New Collective Farming Methods Introduced in Inhambane (Bento Niquice; NOTICIAS, 5 Feb 87)	49
Briefs	
Italy To Finance Agriculture	52
Tete Expecting Higher Incidence of Famine	52

NAMIBIA

SWAPO Claims West 'Plundering' Uranium (PANA, 6 Mar 87)	53
Police Confirm SWAPO Members Lashed to Vehicle (Umtata Capital Radio, 6 Mar 87)	55

Nujoma Claims RSA Escalates Violence (Harare Domestic Service, 6 Mar 87; SAPA, 6 Mar 87)	56
Interview With ZBC	56
Interview With ZIANA	56
SWATF, SADF, SWAPO Report Attacks, Casualties (Various sources, various dates)	59
SWATF Statement	59
SWAPO Press Release	60
SADF Statement	61
Police Commissioner Vows Inquiry Into Beatings (SAPA, 9 Mar 87)	62
Whites Visit Zimbabwe To Observe Majority Rule (SAPA, 10 Mar 87)	63
NIGERIA	
Babangida Opens Annual Army Staff Training Conference (Nkem Agetua; NEW NIGERIAN, 27 Jan 87)	65
Aikhomu Announces Donation to Non-Aligned Africa Fund (NEW NIGERIAN, 27 Jan 87)	66
UN Panel Resettles, Integrates Refugees (DAILY TIMES, 31 Jan 87)	67
Subsidy To Be Removed from Crude Oil, Price Increase Expected (SUNDAY TRIUMPH, 1 Feb 87)	68
Bank Manager on Central Bank's SFEM Intervention (NEW NIGERIAN, 28 Jan 87)	70
Survey Blames SFEM for Drastic Drop in Standard of Living (Bukky Wilson; SUNDAY NEW NIGERIAN, 1 Feb 87)	71
National Directorate of Employment Launched (NEW NIGERIAN, 31 Jan 87; DAILY TIMES, 31 Jan 87)	72
Programs of New Directorate Highlighted, by Suleiman Dangana	72
Guaranteed Loan Scheme Established	73
Abuja Plot Holders Told To Develop or Relinquish (Ibrahim Biu; NEW NIGERIAN, 31 Jan 87)	74
Briefs	
Equatorial Guinea Cadet Training	75
New Airline Services Abuja	75

REUNION

Briefs		
Preparing for Elections		76
New Right-Wing Daily Planned		76
Construction Industry Recovers		76

ZAIRE

Briefs		
Agricultural Agreement With Portugal		77

ZAMBIA

Kaunda Offers To Mediate in Namibian Conflict (Brendan Seery; THE STAR, 6 Mar 87)	78
--	----

ZIMBABWE

Senator Urges Retaliation for Machel Death (SAPA, 6 Mar 87)	79
--	----

Briefs		
Surplus Maize Storage Costs		80
Coffee Production, Earnings Increase		80

SOUTH AFRICA

AFRIKANER/GOVERNMENT

CP Deputy Leader Rejects HNP Cooperation Proposals (Johannesburg Domestic Service, 3 Mar 87)	81
Treurnicht: Elections Too Near for CP-HNP Unity (SAPA, 5 Mar 87)	82

Briefs		
Black ID Backlog Denied		84
Aliens Act Arrests		84
1986 Deportations		84
Trespassing Arrests		84
SADF Denies Chissano Claim		85

BLACKS

Briefs		
Transkei President Banishes Four		86
Black Ownership of TV		86
Inkatha Blamed for Violence		86
Black Housing		86
Arrests of Black Strikers		87

SOCIOPOLITICAL/OTHER

Country To Face 'Long-Term' Refugee Problem (THE ARGUS, 11 Feb 87)	88
Kruger Park Gets 300 Refugees Per Month (Dirk Nel; THE STAR, 9 Feb 87)	89
University Heads Concerned About Coercion on Campus (SAPA, 4 Mar 87)	90
Wits Students Protest SADF Presence at Turfloop (SAPA, 4 Mar 87)	91
PFP Will Not Withdraw in Independents Favor (SAPA, 3 Mar 87)	93
SABC Suspends Employee Standing as PFP Candidate (SAPA, 5 Mar 87)	94
Court Hearing Emergency Detainees' Appeals (SAPA, 3 Mar 87)	96
Schwarz Blames Unemployment for Rising Crime (SAPA, 5 Mar 87)	98
Commentary Discusses Realities of Reform (Johannesburg Domestic Service, 5 Mar 87)	99
Briefs	
Survey Shows Decline in NP Support	101
1,624 Apply To Change Race	101
Universities Limit Election Appearance	101
Children in Prison	102
PFP Warns Voters of 'Right-Wing'	102
NRP Leader Urges Black Participation	102

ECONOMIC

Country Losing Skilled Professional, Management Talent (SAPA, 2 Mar 87)	103
U.S. Norton Abrasives Firm Announces Disinvestment (SAPA, 4 Mar 87)	105
Commentary Notes 'Second Thoughts' on Disinvestment (Johannesburg Domestic Service, 6 Mar 87)	106
Statistics Reveal Decline in White Incomes (SAPA, 4 Mar 87)	108

Manufacturing Activity Continues To Improve (SAPA, 4 Mar 87)	110
AMCHAM To Administer Sullivan Principles (SAPA, 4 Mar 87)	111
Briefs	
Increase in Manufacturers' Profit	112
Supermarket Workers Win Wage Increase	112
Retail Trade Figures Show Increase	112
New Oil Find Not Viable	113
Mobil Oil Group Will Not Divest	113

AFRICAN PETROLEUM PRODUCERS ASSOCIATION MEETS

Draft Statute Ratified, Provisions

Kaduna NEW NIGERIAN in English 28 Jan 87 pp 1, 3

[Text]

OIL ministers and heads of delegations to the inaugural meeting of the African Petroleum Producers' Association (APPA) on Monday in Lagos resolved that the association's draft statute be ratified by member countries' governments, and not at the conference venue, sources said.

The sources told the News Agency of Nigeria (NAN) that the agreement followed observations by some member countries that the statute required closed scrutiny.

They said the delegations, under the chairmanship of Alhaji Rilwanu Lukman, Nigeria's Petroleum Resources Minister, decided that the association should have a permanent secretariat.

The association's council of ministers would decide at their subsequent meetings on the siting and mode of funding the secretariat.

The delegations also agreed to use English as the medium of expression at meetings, but made provision for the use of interpreters by delegations which so desired.

The sources said the delegations resolved to elect APPA president in advance of any meeting, but designated Alhaji Rilwanu and the Congolese Oil Minister, Mr.

Rodolphe Adada, as chairman and alternate chairman respectively in the interim, pending the ratification of the statute by member countries.

The statute provides for the election of the host country's oil minister as the president, another oil minister as alternate president.

Meanwhile, Egypt and Libya have pledged to co-operate to ensure the survival of the African Petroleum Producers' Association (APPA) in spite of their political differences, Dr. Hussein Abdallah, senior under-secretary in the Egyptian Ministry of Petroleum, has said.

Dr. Abdallah, whose country has sour relations with Libya because of its renewal of ties with Israel, told the News Agency of Nigeria (NAN) that although "there might be conflict in politics, in technical aspects never".

He said at various occasions, African experts had always constituted a unified bloc.

The official said Egypt was in total support of any activity geared toward African unity and mutual co-operation, and that his country had given assistance to such countries as the Sudan, Burundi and Somalia on petroleum-related matters.

Dr. Abdallah said his delegation would not sign the draft statute of APPA at the current

conference, explaining that the Egyptian government would need to carefully study the document.

Dr. Abdallah expressed the hope that Egypt would join the association at a later date. "After the government might have studied the document, hopefully we can come later and sign," he said.

On whether the non-attendance of the Egyptian oil minister was not deliberate because of the presence of the Libyan delegation, Dr. Abdallah said the minister had a "slipped disc" and had notified the chairman of APPA, Alhaji Rilwanu Lukman.

Statute Signed by Majority of Attendees

Kaduna NEW NIGERIAN in English 29 Jan 87 pp 1, 3

[Text]

FIVE of the nine member countries of the African Petroleum Producers' Association (APPA) have signed the statute of the association while three others merely initialled it.

Egypt which attended the inaugural conference in Lagos neither signed the statute nor the resolutions because of its observer status.

According to the country's head of delegation, Dr. Hussein Abdallah, his country did not participate in the two preliminary meetings which produced the technical details of the association's formation and as such would need time to study the details.

He however, expressed his country's support for the association and its willingness to join in the future.

Conference chairman, Nigeria's Petroleum Minister, Alhaji Rilwanu Lukman, explained that the delegations which did not sign the statute wanted to get the formal approval of their governments to do so.

A conference communiqué

stated that the statute itself has to be formally ratified by the various governments, according to prevailing laws of the land.

Mr. Belkacem Nabi, Minister of Energy, Chemicals and Petroleum Industries of Algeria, was elected as the first president of the association, while Mr. Pedro De Castro Van Dunem (LOY) Minister for Energy and Petroleum of Angola was elected alternate president.

Alhaji Rilwanu said on Tuesday that the countries which produced the presidency would provide initial secretarial services for the association until further notice.

He repeated his earlier statement that APPA would work in full cooperation with the Organisation of Petroleum Exporting Countries (OPEC) and expressed confidence in the actions so far taken by the organisation to stabilise the oil market.

The next meeting of the APPA will hold in Algiers, on July 20.

Egypt, Libya Agree To Work for Association's Survival

Lagos DAILY TIMES in English 28 Jan 87 pp 1, 13

[Text]

EGYPT and Libya will co-operate to ensure the survival of the African Petroleum Producers' Association (APPA) in spite of their political differences, Dr. Hussein Abdallah, senior under-secretary in the Egyptian Ministry of Petroleum, has said in Lagos.

Dr. Abdallah, whose country has sour relations with Libya because of its renewal of ties with Israel,

told the News Agency of Nigeria (NAN) that although "There might be conflict in politics but in technical aspects never".

He said that at various occasions in the continent, African experts had always constituted a unified bloc.

The official said that Egypt was in total support of any activity geared toward African unity and mutual co-

operation and that his country has given assistance to such countries as the Sudan, Burundi and Somalia on petroleum related matters.

Dr. Abdallah said that his delegation would not sign the draft statute of APPA at the current conference, explaining that the Egyptian Government would need to carefully study the

document.

Dr. Abdallah expressed the hope that Egypt would join the association as a later date. "After the government might have studied the document, hopefully we can come later and sign," he said.

On whether the non-attendance of the Egyptian Oil Minister was not deliberate

because of the presence of the Libyan delegation, Dr. Abdallah said that the minister had a "slipped disc" and had notified the chairman of APPA, Alhaji Rilwanu Lukman.

Sources close to the conference had earlier said that following the objections by the Libyan delegation over the presence of the Egyptians, the Egyptians agreed to be designated observers.

They disclosed that Algeria, Libya and Gabon — three of the four African OPEC members in APPA — were eager to get the association off the ground immediate.

The other potential members of APPA are Cameroun, Congo, Benin and Angola, Egypt an OPEC member, Gabon.

/9274

CSO: 3400/205

STUDY URGES REEVALUATION OF INDUSTRIAL PRIORITIES

Paris JEUNE AFRIQUE ECONOMIE in French Dec 86 pp 90, 93, 95-97

[Article by Sebastien Laborie: "Industry Faced With a Choice"]

[Text] Industry in Sub-Saharan Africa is in trouble. It is going through a profound crisis that could put the region even further behind in the process of industrialization. The limitations of industrial policies adopted in the past were revealed by the world crisis in the 1980's, during a period when competition between enterprises intensified.

A study completed in 1986 by experts with the SEDES (Economic and Social Development Studies Company) and Ministry of Cooperation officials enables us to better evaluate the industrial situation countries of Sub-Saharan Africa and outline future prospects. (Footnote 1) (Christine Brochet and Jacques Pierre: "Industrialization of the Countries of Sub-Saharan Africa. Case Studies of Ten Countries (Cameroon, the Ivory Coast, Gabon, Ghana, Kenya, Niger, Nigeria, Senegal, Zaire and Zimbabwe)." SEDES-Ministry of Cooperation, Paris, 1986)

The countries of Sub-Saharan Africa began the industrial development of their raw materials for export rather late, with the exception of certain nations such as the Ivory Coast, Mauritius or Zimbabwe. The very clear specialization of their industries in certain consumer goods (agro-food industries, textiles-clothing, common consumer equipment) resulted in a very weak intersectorial integration. Marked phenomena of dependency resulted in almost incompressible imports of semi-finished products, intermediate goods, basic equipment and spare parts. The nearly general underutilization of existing production units is a well-known fact, but what are the causes? A poor initial evaluation of projects, excess production capacity, maintenance problems, and so on.

The structural and regional concentration of industry is accompanied by control of the latter by a few large enterprises: national companies or subsidiaries of foreign firms, depending on the country's investment system, generally located in capitals or ports (Abidjan, Dakar, Douala, Nairobi, Lagos). These large enterprises have mainly become involved in the solvent market of the wealthier groups of the population. The weakness of the system of small and medium-size enterprises is noteworthy in all the countries. This phenomenon now poses a major problem confronted with the demographic explosion, accompanied by rapid urbanization.

In addition, the African industries suffer from a lack of competitiveness confronting competition from the countries of Southeast Asia in particular. This limits exports of manufactured goods to regional markets (the CEAO, ECOWAS, the SADCC [South African Development Coordination Conference]). This lack of competitiveness is mainly linked to the inadequacy of management and organization methods, the high cost of excessive expatriate personnel, the poor quality of products and the poor planning of projects.

By the end of the 1970's, the reversal in the world market for the main raw materials resulted in growing negative payments balances due to the marked dependency of African countries on one or two products for the obtention of their foreign exchange receipts (coffee and cacao for the Ivory Coast, peanuts for Senegal, uranium for Niger, copper for Zaire and Zambia and bauxite for Guinea).

International limitations, plus the highly negative effects of the increase in the dollar and interest rates exposed the structural weaknesses of national economies (decline in agriculture for food, growing public debt, the excessive size of many projects).

The crisis affected all productive sectors, particularly industry. The consequence: A very clear decline in industrial production has been obvious in all countries since the early 1980's.

Three factors explain this evolution: first of all, the contraction of domestic and regional markets linked to the reduction in public investments and the drop in purchasing power of the people; second, the blockage, because of the scarcity of foreign exchange, of imports indispensable to the proper operation of existing enterprises; and finally, the lack of competitiveness of African products on major export markets in terms of both price and quality. The crisis has particularly affected public and parapublic enterprises. Facing a rapid growth in their foreign debt, most Sub-Saharan African countries have been forced, under the supervision of the International Monetary Fund and the World Bank, to undertake restrictive austerity and rehabilitation programs as the condition for obtaining a rescheduling of their debts. At the present time, this restriction is one of the main obstacles to their industrial development.

Three tendencies would mark their evolution: the complete reorganization of national companies and/or joint ventures, accompanied by a process of generalized privatization; priority granted to the rehabilitation and maintenance of existing units; and emphasis placed on the sector of small and medium-size enterprises and industries (PME and PMI), with a clear halt in the construction of major industrial complexes.

These tendencies fit into an overall movement of the disengagement of the state, accompanying the definition of new industrial policies.

Facing these limitations, new specializations should appear, based on the double need to gradually achieve national or regional food self-sufficiency and have more room to maneuver in terms of foreign exchange, either through a reduction in imports or an increase of exports of manufactured products.

These are the main conclusions that emerge from the study by Christine Brochet and Jacques Pierre. Detailed monographs have been completed of ten countries considered to be a representative sampling of nations in the region, based on certain criteria (production and manufacturing value added, industry's share of the GNP, rate of growth of industrial sector). Appendices group the main enterprises by sector and draw up a list of the main industrial projects.

Sectorial specializations vary quite clearly between agricultural countries (Cameroon, the Ivory Coast, Ghana, Kenya or Senegal) and those having mining revenue, such as Niger and Zaire and/or oil income (Gabon and Nigeria). Only one country seems to be an exception: Zimbabwe, which at the time being has a relatively more diversified and prosperous industry.

Without going into the details of the conclusions of each monograph, it is interesting to emphasize the specificity of certain experiences. The following are brief summaries of the lessons that emerge from studies on the Ivory Coast, Gabon and Niger, countries with very different primary vocations and having achieved different levels of industrial development.

With fertile land and good climatic conditions, the Ivory Coast has based its development on export agriculture (coffee, cacao and later, palm oil and cotton), the gradual diversification of national productive sectors and an opening to the outside. This policy has enabled it to begin an industrialization process initially oriented toward the domestic market by substituting national products for imported consumer goods (agrofood industry, textiles, chemical and oil products). Starting in 1970, the creation of a new generation of industries permitted the development of local resources for the purpose of export (launching of six sugar complexes, palm-coconut plantation plan, integrated textile units, wood industries).

The industrial sector, which is largely dominated by agro-food industries (40 percent of the turnover of industry), has experienced very rapid growth (up about 14 percent annually) until the end of the 1970's, mainly due to the contribution of foreign capital. The Ivory Coast, which has the largest industry in French-speaking Black Africa, is in third place in Sub-Saharan Africa regarding the level of the manufacturing industry, behind Nigeria and Zimbabwe.

However, since the beginning of the 1980's, it has been going through a difficult phase, mainly linked to the reversal of the world coffee and cacao market, which has forced the government to gradually revise its development policy, given an increasingly imbalanced financial situation. The world crisis has brought to light certain weaknesses in the country's development: programs that are too costly or too big, problems managing national firms, a growing imbalance in the financial situation, the exclusion of certain strata of the population, and so on. The failures of the sugar program made it necessary, for example, to close the Serebou and Katiola complexes in April 1984 and reorganize the entire sector.

Industrial activities have been greatly upset, resulting in difficulties for many local units (contraction of the domestic market; underutilization of production capacities; problems of maintenance and the supply of spare parts;

a slump in industrial investments; a decline in the performance of industry on export markets) and a decline in industrial production (down 3.9 percent in 1982, 14.9 percent in 1983 and 5 percent in 1984). The growth in the foreign debt and worsening of the deficit in the balance of payments forced the Ivory Coast to negotiate with the Clubs of Paris and London for a rescheduling of its debt. It was accompanied by the adoption of a policy of austerity since 1983 and the launching of a structural adjustment program (PAS), accompanied by a new industrial policy. The Ivorian Government thus made the decision to bring about a complete reform in the system of industrial incentives in 1984-1985, with a revision of customs duties and the establishment of a new investment code.

The goal pursued is revival of growth in the industrial sector, by encouraging the creation of competitive industries. The launching of this reform will profoundly modify the industrial policy of the Ivory Coast in the direction of greater priority granted to small and medium-size enterprises, a regional decentralization of industries outside of Abidjan and greater openness of the Ivorian economy to the outside. This will also force all Ivorian enterprises to reorganize.

Gabon's case is also instructive. Starting in the 1970's, oil has been the basis for the country's economic boom. Although declining since 1977, crude oil production still exceeded 8 million tons in 1985. The oil sector thus largely dominates Gabonese industry and its economy in general (45 percent of the GNP, 85 percent of all exports, 65 percent of all budget receipts). Three companies, two of them French, provide nearly all production, but the most marked feature is the domination of ELF-Gabon [Gasoline and Lubricants Company of France], in which the state holds only 25 percent of the capital. ELF-Gabon, which largely leads Gabonese enterprises in turnover (over 450 billion CFA francs in 1985), has nearly 70 percent of Gabon's oil production. Outside of its exports, it supplies crude to the country's only refinery, located at Port Gentil, since the buyout of COGER [Gabon ELF Refinery Company] by SOGARA [Gabonese Refining Company]. The turnover of the new company is over 65 billion CFA francs, putting it in fourth place among Gabonese enterprises, behind two other enterprises in the oil sector, PETROGAB and Shell Gabon.

These few facts emphasize the preponderant weight which oil revenue plays in Gabon's economy and largely explain the financial problems that the country has experienced since the reversal of the oil market in 1982 and the increasingly difficult conditions of local oil operations, given the gradual exhaustion of the deposits.

The drop in foreign exchange receipts has resulted in a rapid increase in the public deficit, forcing the Gabonese Government to adopt an austerity budget in 1986. In order to prepare for the post-petroleum period, the adoption of a 3-year program for 1986-1988 should permit a gradual diversification of productive sectors. Industries to be developed with priority are those permitting the upgrading of natural resources and for which there is a local market (without excessive protection), a regional market (UDEAC [Customs and Economic Union of Central Africa] and even CEAO countries) or outside market (particularly industrialized countries): agriculture and agro-industry, fishing and derived

industries, forestry and wood industries, mining resources processing industries (particularly manganese).

Gabon thus tries to set up a development policy that reduces its dependency on the fluctuations of the world oil market and therefore, its fragility, seeking to increase the participation of nationals in industry through the promotion of local PME's and by developing its considerable natural resources.

In Niger, the industrialization process has been marked by the development of uranium deposits at Arlit by SOMAIR [Air Region Mining Company] in 1971, then that of the Akouta deposits by COMINAK [Akouta Mining Company] in 1978, the mining sector being largely dominant in industry.

The development of uranium mining has thus radically transformed the traditional aspects of the Nigerien economy, characterized by structural handicaps (low population density, a country that is two-thirds desert and totally landlocked in the center of Black Africa, vulnerability to climatic conditions). Niger has thus become a country with mining income specializing in monoproduction of uranium (nearly 70 percent of total exports, 41 percent of the government's public receipts). This radical modification of the economic structure made it possible to launch a rapid process of growth until the beginning of the 1980's (up 8.6 percent on the average between 1976 and 1980), thanks to the quintupling of world prices between 1974 and 1979. But this growth was accompanied by increasing dependency on the world uranium market. This limitation greatly explains the economic and financial crisis that Niger has experienced since 1981. The fourth-ranking producer in the world, it has endured the full impact of the collapse in world prices and the rapid decline in the demand of industrialized countries relating to the halt in nuclear programs.

These difficulties were heightened by the drought in 1983-1984. Nigeria's decision to close its borders in April 1984 forced the government of President Seyni Kountche to adopt an austerity policy. The interim consolidation program (1984-1985), completed by a 3-year investment program (1986-1988), represents a pause in the development of the Nigerien economy, whose top priority over the years ahead will be food self-sufficiency.

If a certain financing effort helping the industrial sector continues, it is accompanied by a reorientation of investments. In the mining sector, it is aimed at attenuating the vulnerability of the Nigerien economy vis-a-vis the world uranium market by a process of diversification (particularly tin ore, development of coal deposits).

In the manufacturing industry, which is embryonic, two tendencies should mark prospects of evolution: the rehabilitation and modernization of existing units and emphasis placed on development of the PME's and handicrafts in order to meet the consumer needs of the local market.

However, uranium remains the basis of Niger's long-term development and its main industrial asset, with reserves estimated at 214,000 tons. In the

immediate future, Niger will have to continue to accept great dependency on foreign aid, given the burden of servicing its debt, while awaiting a resumption in the demand for uranium, which will not come before the mid 1990's.

These three examples point up the diversity of situations and the benefit of a detailed approach in order to discern future prospects of industry in Sub-Saharan Africa. In conclusion, one must emphasize the dominant weight of Nigeria, given its wealth of agricultural and mining resources and the importance of its domestic market.

The economic attraction exercised by this giant has consequences on the economies of bordering countries. Part of their food production (niebe, sorghum) is sold to this English-speaking country which, particularly because of the existence of a "parallel market," offers attractive prices. Likewise, the highly unequal potential of the markets have in the past largely blocked the import substitution process based on foreign capital in smaller neighboring countries. This imbalance has been strengthened by the closing of borders decided by Nigeria in April 1984, although they were reopened in April 1986.

For the years ahead, the orientations followed by this country in its development and particularly industrialization policy will have a great impact on the economies of countries in the region. These major trends discerned by the study cited make it possible to indicate the top priorities that will guide the industrial policy of nations in the region over the years to come. With the top priority being food self-sufficiency, industries linked to agriculture should enjoy a new boom: agriculture for food, industrial grain processing, the canning of fruits and vegetables, the fishing industry, but also industries making it possible to improve the productivity of land (farm machinery, fertilizers, pesticides, and so on). In short-range terms, the demographic explosion and urbanization will bring about an increase in the demand for consumer goods.

11,464
CSO: 3419/94

WEST ACCOUNTS FOR OVER 80 PERCENT OF FOREIGN TRADE

Lisbon O JORNAL in Portuguese 30 Jan-5 Feb 87 p 1 (EXPORTACAO)

[Text] Since 1983, Portugal has been the number one supplier of food products, consumer goods, and equipment to the People's Republic of Angola (PRA), surpassing the United States as the number one exporter to that south African country. U.S. exports to Angola are comprised essentially of products intended for the oil industry companies.

Despite the political relationship it has maintained with the Eastern countries since the proclamation of independence on 11 November 1974, the PRA's current trade relations with the Western countries represents more than 80 percent of its foreign trade.

A study prepared recently by the Portuguese Foreign Trade Institute (ICEP) in connection with the (FILDA) International Fair and revealed by the magazine EXPORTAR last October indicates that among the official Portuguese-speaking countries, the PRA is undoubtedly the one with which Portugal has maintained the greatest volume of trade exchange following the independence of that country, and the trade balance has always been favorable.

Portugal Already the Ninth Customer

Considering the total figures for Portuguese exports, in 1982 and 1983 Angola was Portugal's 11th best customer, moving to 10th place in 1984, and 9th in 1985. In 1984, only the United Kingdom, the Federal Republic of Germany, France, the United States, the Netherlands, Spain, Italy, Sweden, and Belgium-Luxembourg were better customers of Portugal; while countries such as Switzerland, the USSR, Japan, and Canada were positioned below the PRA.

Following independence, Portuguese exports have been increasing at a good rate, with the exception of the drop that occurred in 1982 for reasons connected with import restrictions imposed by the Angolan authorities.

A significant decrease is expected for 1986 which will affect not only trade relations with Portugal but also with the other countries. This drop is due to the financial difficulties caused by the reduction of Angolan revenues owing to the drop of the price of oil.

The Portuguese-Angolan trade balance has been presenting favorable balances for our country even though the amounts are characterized by a sharp irregularity. This irregularity stems essentially from the highs and lows of our exports, specifically after 1981, when they reached 13.8 million contos, falling to less than half the following year (6.7 million), then rising spectacularly to 11.1 and 22.7 million contos in 1983 and 1984, respectively. There was also an appreciable increase in 1985 (26.4 million contos), but a substantial drop is predicted for this year as shown by the 6.7 million contos recorded for the first half of the year.

Spectacular Jumps in Imports

At the same time, our imports of Angolan products took an enormous jump from 1983 (1.5 million contos) to 1984 (5.6 million contos), and an even more spectacular jump in absolute terms in 1985, when they reached almost 14 million contos. In the first half of this year, they had already reached 6.2 million contos, which could mean that if the trend of the first 6 months is maintained, 1986 can close with a practically balanced Portuguese-Angolan balance of trade, which would be a first-time occurrence.

The most prominent products in the area of Portuguese exports have been cotton textiles, food products, medicines, footwear, and some electrical equipment. In 1985, third place in these exports went to iron or steel manufactures and parts, with an exported value of 1.3 million contos, showing a very significant increase compared to 1983 (in eighth place with 269,000 contos) and 1985 (in 11th place with 549,200 contos).

On the other hand, Portuguese imports are primarily concentrated on two products: coffee and oil.

Angola Intensifies Economic Cooperation

Basically, there have been three countries that have led in trade relations with Angola for several years: Portugal, the United States, and France; the first, because of the economic and industrial relations already existing before independence which were maintained; the others, especially because of the positions of American and French companies in the oil industry.

Brazil has succeeded in penetrating the Angolan market with its advantages of a common language, geographic proximity, and low production costs. In addition to that, as a result of the Capanda project, Brazilian companies have been supplying many other adjacent areas--civil construction, prefabricated homes, transportation, agro-food products and agricultural equipment, services, and equipment items--which will cause a short-term increase in the export figures from that country to Angola. Many of these supplies were negotiated on the basis of counter-trade agreements involving Brazilian purchases of oil from Angola.

On the Angolan export side, the United States is in first place and will ahead of the other customers because more than 50 percent of the Angolan crude oil is exported to that country. It is followed by the United Kingdom (crude oil and diamonds), Spain (crude oil), and Brazil (crude oil).

Exports to the Socialist countries are almost nonexistent, with the exception of coffee sold to the German Democratic Republic and Poland.

Portugal's Trade Balance With the PRA: 1983-85 (in Millions of Contos)

	1983	1984	1985*	
	Tons	Contos	Tons	Contos
Exports (FOB)	80,827	11.1	109,294	22.7
Imports (CIF)	6,657	1.5	106,614	5.6
Trade Balance		9.6		17.1
Coverage Rate (%)		740		413
				12.5
				189

Source: INE/ICEP *Provisional figures

8711/6662
CSO: 3442/85

ANGOLA

BRIEFS

'INDEPENDENT DEMOCRATS' MESSAGE--A message from the "Independent Democrats," the principal signer of which is Franco de Sousa, the cofounder of the MPLA and today an exiled dissident, gave rise to an exchange of viewpoints on the struggle for peace and human rights in that country. The "Independent Democrats" are a small Angolan clandestine group whose activities have been reported by SEMANARIO. The message was addressed to representatives of the "Patriots' Appeal for Peace in Angola" and was sent to all member-states of the United Nations and the Vatican. It is the first time that a contact has been established between the proponents of this course inside and outside the country. Certain observers admit that this may be the first step of a bloc that may fill the gap of the levels of the population that do not identify with either of the sides at war. [Lisbon SEMANARIO in Portuguese 31 Jan 87 p 52] 8711/6662

CSO: 3442/85

VIEIRA'S VISIT TO LONDON ASSESSED

Lisbon DIARIO DE NOTICIAS in Portuguese 20 Dec 86 p 10

[Article by Fernando de Sousa: "Bissau Seeks To Reinforce Cooperation with Europe"]

[Text] The private visit to London of Guinea-Bissau's president, Joao Bernardo Vieira, was carried out in a very discreet fashion, but it appears to have been successful in allowing him to meet with several businessmen and potential investors, and to furnish them with data regarding the economic and political situation in his country.

Joao Bernardo Vieira had already been to Paris and Brussels, ostensibly for purposes of "relaxation," according to him, but his time there was devoted to a series of meetings.

Guinea-Bissau is not one of the more often discussed countries within political and financial circles in London, perhaps because it is considered to have less to offer than other African countries, or because it is viewed as more under French influence.

Recent death sentences decreed there received British press coverage for Guinea-Bissau that could not have been pleasing to Guinean authorities.

President Vieira wanted to clarify some recently passed Guinea-Bissau legislation which liberalized several of its economic sectors, and also to explain his country's present political situation.

He met with representatives of several international economic groups based in London, and discussed a broad range of topics, from construction and the infrastructure to agriculture, tourism, and several industrial sectors. The meetings were organized by Raja Makaran, a Lebanese who is director of an investment firm in London, and maintains a large number of contacts within Guinea-Bissau; it is likely that he will soon be named honorary consul of that country to Great Britain. Subsequent to the meetings, Raja Makaran said that he regarded the possibilities of having developed an interest in Guinea-Bissau among British financial circles as "excellent."

Joao Bernardo Vieira also met in London with the assistant under-secretary of state for cooperation, Anthony Reeve, with whom he discussed possibilities for the development of economic relations with his country. A meeting with more highly placed authorities was not possible due to the shortness of lead time under which the contacts had been made.

Since its independence, Guinea-Bissau has made modest attempts at bilateral cooperation in the areas of scientific support, foodstuffs, and economic development. President Vieira wants to extend these as a means of counter-balancing the alleged French influence within Guinea-Bissau's part of Africa. It should be noted that Vieira met with President Mitterand and Prime Minister Jacques Chirac when he was in France.

Those meetings appear to have had practical results, involving bilateral cooperation projects between Paris and Bissau in the area of telecommunications. It is possible that a television station will be installed, initially with a closed circuit to Bissau, but with the ability to broaden coverage later to the rest of the country. Consideration is also being given to mining projects; studies carried out by French technicians show that there are high quality minerals there, according to President Vieira. During the Paris visit, discussions were also held regarding financial assistance in dealing with Guinea-Bissau's balance of payments deficits.

The French influence, however, will not act as an impediment to a widening of Great Britain's cooperation with Guinea-Bissau. Bilateral relations were recently reinstated through the presentation of credentials in London of the first Guinean ambassador to the court of Saint James, Bubacar Ture, who also represents his country in the EEC and in other western European countries.

In an interview on the BBC during his London visit, President Vieira emphasized that the fact that he had not visited Portugal on this trip did not mean that there were any problems in his relationship with the Portuguese government. He said that he had bypassed Lisbon only because airline connections to there did not fit with the rest of his trip, adding that he wants to visit Portugal in the future; he said that he wants to "express appreciation to the Portuguese government for the understanding it showed during recent renegotiations of Guinea-Bissau's debt payments." He mentioned the criticism he had received from "some quarters" in Portugal with regard to death sentences in his country, but emphasized that the criticism had not come from the government. With regard to that issue, Vieira said that he understands such criticism, but disagrees with it, saying that, "to a certain extent, the criticism weighs heavily on the Guinean government, since Portugal is the country that knows Guinea-Bissau best." He added that, "What was done in Guinea-Bissau was not impulsive, but in accordance with the law of the land."

12857/12851
CSO: 3442/69

GUINEA-BISSAU

BRIEFS

FRENCH INFLUENCE INCREASES--In Guinea-Bissau, the most notable event of 1986 was the so-called "October conspiracy" against the established government, and the sentencing of those involved, of which 12 were given the death sentence; six of those sentenced were later pardoned, and the others were executed, despite the appeals of various worldwide agencies that the death sentence be commuted. Among the appeals was that of the president of Portugal, Mario Soares, and his prime minister, Cavaco Silva, both of whom later refused to meet with a special envoy sent by the Guinean president, Nino Vieira; the envoy went to Lisbon expressly to explain the reasons for Guinea-Bissau's not having responded to the appeal. This, in turn, caused the president of Guinea-Bissau, for the first time on one of his European trips, during which he made an official visit to France, not to stop in Lisbon as he has always done. And this led to a perhaps exaggerated negative reaction in Portugal to the executions. During the course of last year the financial condition of the country worsened, and there was a notable increase in the French influence in Guinea-Bissau's economic, financial, and cultural sectors. Also notable was Portugal's inability to play an equally influential role. [Text] [Lisbon TEMPO in Portuguese 31 Dec 86 p 20] 12857/12851

CSO: 3442/69

MOZAMBIQUE

RED CROSS STORAGE BINS GO UP WITH SWEDISH HELP

Harare THE HERALD in English 9 Feb 87 p 5

[Text]

THE Red Cross societies of Mozambique and Sweden have started building Mozambique's first three warehouses to store food, clothing and vehicle spares, says Cde Heitor Fernandes, a member of the Mozambique Red Cross Society.

The warehouses are being built in Maputo, Beira and Nampula, as a move to ease the distribution of relief materials to the people.

Cde Fernandes, who was attending last week's four-day Red Cross meeting for Southern Africa in Harare, said at the weekend that the Mozambique Red Cross Society, in conjunction with the government were doing their best to prepare the country for disasters, including those caused by the South African-backed MNR.

Apart from the war, Mozambique was greatly affected by the drought as well as floods, resulting in an increase in displaced persons into surrounding countries.

In addition, the country's Ministry of Health and the Red Cross Society, had this year embarked on a blood donation programme. So far, Cde Fernandes said, a lot of blood had been donated in Maputo and blood-banks were being established in other towns.

He praised the Norwegian Red Cross Society for proposing the disaster preparedness programme, adding that it was of paramount importance to Mozambique.

"We are busy training first-aiders, constructing buildings, repairing vehicles and strengthening the fleets."

As a boost to the Mozambique Red Cross disaster preparedness programme, Italy donated 25 trucks last year, one of them a mobile workshop.

"We are concentrating on rehabilitation programmes to those people who have been liberated from the MNR. Our goal is to make these people self-sufficient and as a result, we established three soap factories in the Zambezia Province last year as well as training the people on how to run the factories," he said.

Besides providing food, clothing, blankets, tents and water to the people, the Red Cross was providing education on proper sanitation to the youths to try and prevent diseases.

/9274
CSO; 3400/204

MOZAMBIQUE

PALESTINIAN WOMEN'S UNION OFFICIAL STRESSES SOLIDARITY

Maputo NOTICIAS in Portuguese 20 Feb 87 p 8

[Excerpts] The assistant secretary general of the Palestinian Women's General Union, Mrs Yassine Zalia, said in Maputo that during her delegation's stay in our country, she found Mozambican women deeply involved in all the struggles of the peoples, including the struggle of the Palestinians themselves.

In her view, the battle Mozambican women are waging is against the common enemy--imperialism, South African racism and Israeli Zionism.

The head of the Palestinian delegation made these statements just prior to her departure following the visit she paid to our country at the invitation of the Organization of Mozambique Women (OMM).

Defining the purposes of her delegation's visit to our country, Yassine Zalia said that it was intended first of all to strengthen the friendship existing between the two organizations.

On the other hand, another purpose was to offer condolences to the women of Mozambique, and to Mrs Graca Machel personally, in connection with the death of President Samora Machel.

Another of the purposes of the visit was to congratulate President Joaquim Chissano, through the OMM, on his election to the highest office in the nation.

"In the talks we had with our Mozambican comrades, we encountered warmth, understanding and friendship. We depart with greater courage and determination to pursue the struggle to put an end to the difficult situation in which our Palestinian people find themselves at present," Yassine Zalia said.

Speaking about her organization, she defined the Palestinian Women's General Union as the main base of the Palestine Liberation Organization for mobilizing and organizing Palestinian women wherever they may be in the struggle being waged by their people for the recovery of their territory, which the Zionists have occupied.

The head of the delegation said that this organization is pursuing social projects in all of the Arab countries and in the refugee camps, where the majority of the Palestinian people are presently living. She added that the organization has 15 branches in various Arab countries, where the women are engaged in work in support of the struggle to recover their usurped lands.

"Our struggle is no different from that of other peoples who are fighting for their liberation. We are in the trenches with all of the women of southern Africa, the SWAPO, the ANC and the Front Line countries, because in the struggle we are waging, the enemy is the same--imperialism," Yassine Zalia said.

Concerning the role of Palestinian women in opposing the war sponsored by Israel, Yassine Zalia said that alongside their sisters and husbands, they are doing significant work in support of education and the combatants. Palestinian women, who also bear arms in the militia, are fighting in the trenches with the men dedicated to the struggle to liberate their fatherland.

The Palestinian Women's General Union delegation is traveling to several countries in southern Africa, and is at the present time paying a similar visit to Zimbabwe, at the invitation of the women in the ZANU. According to the head of the delegation, this visit has the same purpose as that to the OMM, to strengthen relations between her organization and the ZANU-FP section.

5157

CSO:3442/102

MOZAMBIQUE

CHIASSANO CALLS FOR AUSTERITY IN MAPUTO SPEECH

Maputo NOTICIAS in Portuguese 3 Feb 87 p 8

[Text] President Joaquim Chissano said that the present time must be characterized by much work and few speeches so that we may be able correctly to implement the provisions of the Economic Rehabilitation Program announced recently by our government. The chief executive of the Mozambican nation made this statement when he addressed a crowd gathered before the Party Committee headquarters building in the capital, which the chief of state visited yesterday. In a direct, instructive, and communicative speech, President Chissano exhorted the population of the capital to produce everywhere possible as a conscious participation in substantially increasing food production, the major contribution of which is made by the family sector together with the cooperative sector.

President Joaquim Chissano arrived at Party Committee headquarters on Angola Avenue in the capital at about 0930 hours on the second scheduled day of a visit to the city of Maputo for the purpose of familiarizing himself with the political, economic, military, and social situation of our country's principal city.

Accompanied by the secretary for administration and cadres of the FRELIMO Party Central Committee and by the minister of Construction and Waters, the president was received by the first secretary of Maputo City, Jorge Rebelo, and the other members of this party organ.

It is the first official visit the chief of state has made to the city of Maputo. Last Sunday he was in Inhaca Island, where he listened to the many problems affecting the inhabitants of that insular segment of the capital. The basic message left by President Chissano in his open dialogue with the population of the capital was that the time is very difficult, and asking each of us for greater courage and determination.

The chief of state reaffirmed the principle that it is necessary for us to eat little every day with the certainty that tomorrow will be better, rather than fill our belly one day and have nothing to eat the next.

"The results of the Economic Rehabilitation Program are not easy and its results cannot be felt from one day to the next. It will take some time--between 3 and 4 years--and then each will begin to feel the first effects: when your child will be able to enroll in school, when it will be possible to obtain an aspirin in the hospital--which you cannot do today, or when your child will be able to buy a pencil in a bookstore," explained President Chissano in his speech to the people of the capital gathered in front of the Party Committee headquarters on Angola Avenue.

The large crowd, comprised mainly of women members of their organization, listened attentively to President Joaquim Chissano's words and all understood that the only way for us to get out of this situation of poverty is for each at his work place to produce more and more, and better and better.

Chissano reaffirmed that it is not the principle of the FRELIMO Party or the state to undertake mass dismissals of workers from their jobs but to find the most correct way of utilizing the cadres we have on the basis of each one's know-how and capabilities.

The chief of state called attention to the possible emergence of demagogic and opportunistic attitudes that will do everything to denigrate the main objectives on which the program for the rehabilitation of our economy are based.

The City in Which We Live

In the restricted meeting that President Chissano had with the various levels of the City Committee, a report was heard analytically and systematically describing the main political, ideological, military, and social problems faced by the capital.

Presented by its first secretary, Jorge Rebelo, the report was not only an enunciation of the problems of a city of about 1 million inhabitants but, with the same realism, it also indicated ways to solve those problems.

Problems came to light related to the utilization of the popular militias as paramilitary forces in support of the FPLM in the noble struggle to liquidate the armed bandits of the racist Pretoria regime.

Speculation, lawlessness, and juvenile delinquency were other points included in the City Committee report presented to the chairman of the FRELIMO Party and president of the People's Republic of Mozambique, Joaquim Chissano.

After the presentation of the report, there was a discussion period regarding the document during which President Chissano and some secretaries of the urban districts and the ODM's spoke.

In summary, it became clear to all that the central organs of the party, the state, and the Armed Forces of Mozambique are aware of the seriousness of some problems as well as of the methods correctly to solve them.

The active participation of women in the people's militias and in other tasks was also one of the points on which the participants at the meeting agreed unanimously.

The principle of divestiture of duties by some party cadres and leaders who also hold positions at other levels of the party and ODM organs was also discussed at yesterday's meeting.

8711/6662
CSO: 3442/86

MOZAMBIQUE

LABOR MINISTER DISCUSSES SALARY INCREASES, TAXES

Maputo NOTICIAS in Portuguese 2 Feb 87 p 3

[Interview with Labor Minister Aguiar Mazula; date and place not given]

[Text] Labor Minister Aguiar Mazula gave assurance that the new wage organization approved in the framework of the Economic Rehabilitation Program will not cause any mass dismissal of workers. He warned, however, that it is necessary for us to be vigilant against the demagogic utilization of these new measures to isolate capable national cadres under the false justification of rationalization of the labor force, which the present government order essentially recommends.

Question: Assuming the existence of some deficit-operating enterprises, where are they going to get the money to guarantee the 50-percent wage increase for their workers?

Answer: As you gentlemen reporters know, the government has been working on economic rehabilitation measures. This process compelled the adoption of some preventive measures in the area of organization and led the government to ask the state organs to rationalize the labor force. The principle of the new wage organization derives from that measure of rationalization of the labor force which, incidentally, few sectors have done. When you ask me where the state is going to get the money, I believe the answer is simple, because we all know that the state gets the money through taxes. The economic rehabilitation measures also seek to establish new tax mechanisms to reinforce the general state budget. At the same time, the economic rehabilitation measures seek to rehabilitate production in both the industrial and agricultural sectors. We are hopeful that, if we succeed in implementing them we shall be able to check the situation of economic imbalance and thereby advance toward the harmonious development we all desire.

Question: With the introduction of those measures, does it mean that the 4/80 has ended?

Answer: Obviously the 4/80 has already disappeared.

Question: As far as the recommendations of the economic measures being announced by our government are concerned, will there be a reduction in the labor force in some sectors? Is there already at the outset some policy anticipating the consequences that the application of these measures may have and what sort of placement the state will find for that surplus labor force? In this particular case, how is the Ministry of Labor coping with that question?

Answer: Perhaps beginning by correcting the language a little. What has been talked about until now is a policy of rationalization of the labor force. We appealed to the state apparatus and to the other sectors to rationalize the labor force. Rationalization presupposes management of the labor force because all of this rationalization will be managed by the state and the party. It is not the objective of the party and the government to undertake mass dismissals of the workers but to find solutions for the reassignment of those workers to other sectors. Obviously, this is a complex process and we have to be realists. The war that is imposed on us prevents us from taking decisive steps in the execution of our development projects. To the degree possible, and with the support of the international community, we will try gradually to find the solutions for these cases because it does not seem to us a priori that it is a matter of the mass dismissal of workers. The first process we are going to use will be the so-called process of compensation of the labor force; that is, we are going to permit the movement of the workers to the jobs where there is a labor shortage. The other criterion will be to seek their better placement in the agricultural sector.

Perhaps to calm you gentlemen reporters a bit, it is necessary to understand that the situation must be correctly analyzed. When we say that there is a surplus labor force at the company level, we have to take into account, on the one hand, the migration from the countryside to the cities due to the war situation that is imposed on us and, on the other, the surplus due to the disorganization of our companies. We are thinking of resolving that problem, moving the persons who do not have any occupational skill, because many times it is the majority of those workers that swells our companies. Because, as we discussed in the People's Assembly, we have problems of shortages of cadres: cadres directly linked with production, skilled workers, management cadres; and there is going to be a need for even more cadres. So that it is necessary properly to solve this question. It is also true that perhaps there may arise cases in which companies, adopting demagogic attitudes, may proceed to undertake unnecessary reduction. In the case of agriculture, I will give you an example: about 2 or 3 years ago, the cashew sector rationalized its labor force in Angoche by finding other solutions. In this case, the workers themselves agreed to wait until conditions were created in terms of greater production rates, in terms of greater capacity for the purchase of technology by the company itself.

Question: Still somewhat related to this question, there is naturally the question of the Mozambican emigrants who work in South Africa. As has been alluded to recently, some of those miners will not have the opportunity to

renew their contracts. I would like to know a little about the feeling of the minister of labor because it seems to be the agency most directly linked to this process. How is their later integration anticipated if it is not possible to renew their contracts in South Africa?

Answer: Perhaps it might be appropriate to provide a little history. In October of last year, the South African Government unilaterally decided to cancel the recruiting of new workers. I say unilaterally because, according to the accord, that cancellation should have been made by mutual agreement. There should have been a prior communication and we did not receive any. Of course, this measure created some problems at the company level for companies that absorbed the Mozambican labor force in South Africa and obliged the South African Government to revise some positions taken previously. This means that the South African Government, which had intended to expel all Mozambican workers, will not be expelling them gradually. Our workers in South Africa are distributed over a scale of eight groups. Thus, in an internal measure taken later by South Africa--also without the prior knowledge of the Mozambican side--it was decided to retain the Mozambican workers included between the fourth and eighth groups, and established tight restrictions with regard to the workers included between the third and fourth groups. This means that, on the average, we are going to have to absorb more than 30,000 persons into our economy. I also wanted to mention that at the present time we have an average of 60,000 potential mine workers who will not be able to work in the mines of South Africa. Now, how to resolve the problem.

Here we have two problems. The first is as follows: as you know, since our independence, the existing agreements provided that the South African Government would constantly maintain an average of 110,000 to 120,000 workers. Today we have an estimate of about 63,000 workers, which means that at the outset we have a deficit of 60,000 workers with a mining tradition and experience who are unemployed. To those 60,000, we are going to have to add another 30,000, which means that we will have 90,000 workers. It is a very difficult problem for our economy. We have already appealed to the international community and I, personally, have already informed the director of the ILO. A communication about the impact of those South African measures on our economy has also been sent to the United Nations. We hope that the international community will support our efforts to incorporate those workers in some agricultural projects. It is obvious that at the beginning it will not be very easy to find a positive answer to these problems.

Question: How should some companies that are not now in a position to provide the wage increases to their workers proceed?

Answer: I have just read a document that establishes the general principles of the country's new wage organization. But underlying these measures, there is a regulation and, according to this regulation, there naturally will not be any immediate wage increase for the companies that are at a standstill. At the most there may be a wage increase after a rationalization of their labor force.

Question: In these cases, how should the company directors act? Will there have to be coordination with the OTM or other organs? How is it going to be?

Answer: I think they will have time to read the wage organization [measure] because, on the one hand, its objective is to restore the autonomy of the companies. Decisionmaking power has to be granted to company directors. That is why the communique speaks of a systematic change in administration and management methods. We have to see how far all of the state's action extends and where the action of the company directors begins. Because we have some problems that are partly the result of the war imposed on us, but there are other problems of administration, of the organization of some companies. To respond directly to this question, we fear that there might be an extremely economical spirit in which a company director may rationalize the best cadres we have. That is why we are talking about rationalization, because we acknowledge the intervention of the party, the intervention of the state itself. This means that the hearing is going to take into account an analysis made at the company level, on the one hand, and by the unions, on the other.

8711/6662
CSO: 3442/86

MOZAMBIQUE

NEW EXECUTIVE COUNCILS TO BE RESTRUCTURED

Maputo NOTICIAS in Portuguese 5 Feb 87 p 1

[Text] President Joaquim Chissano announced yesterday that the executive councils would be restructured to transform them into operational leadership structures, according to a report by the AIM [MOZAMBIQUE INFORMATION AGENCY]. The chief of state said that work was underway at the national level for the purpose of restructuring the executive councils.

President Chissano was speaking at a working meeting which he held with the government of the City of Maputo yesterday following a 4-day visit to the country's capital. The chief of state was accompanied by Julio Carrilho, minister of construction and water, and Fernando Vaz, minister of health.

The meeting was not intended to provide any guidelines for the executive council. Its purpose was to allow the chief of state to familiarize himself with the functioning of that government body.

At President Chissano's request, Alberto Massavanhane, chairman of the executive council of the City of Maputo, and other members of the capital's government presented a detailed explanation of the difference between the executive council and the former city council, now abolished. The executive council consists of 18 directorates representing ministries.

The executive council governs an area totaling 700 square kilometers with 96 neighborhoods inhabited by about 1 million people. The annual growth rate is 6 percent, 4 percent of which is the result of urban migration.

According to the AIM, the review of activities by the executive council since 1983 reveals problems and shortcomings due in particular to three specific factors.

The first factor is the lack of material resources for using urban services to maintain the city. Moreover, there is also only a small crew of sweepers, who number 400 in all.

The resources available to the former city council have either deteriorated with no possibility of replacement or have been diverted to other sectors for

other purposes. It should be emphasized that in the colonial period, those resources were used only in the paved section of the city.

The second factor is the galloping and uncontrollable increase in the urban population during the period following national independence.

Maputo had a population of about 300,000 in 1975, but it is now a city of 1 million inhabitants, most of whom have peasant backgrounds and are therefore ignorant of environmental and living customs in big cities.

It was indicated that the Administration of State-Owned Buildings (APIE) has a backlog of 33,000 unsatisfied applications for rental housing on file.

The third and final factor to be mentioned was the fact that the executive council had been set up with no clearly defined duties and areas of authority and has been engaging in activity incompatible with the character of a governing body that was conferred on it when it was raised to the status of a provincial government. Because of that, it has not been able to carry out the same duties and exercise the same authority as the former city council.

The administrative apparatus of the executive council covers eight urban districts, whose administrators, according to the AIM, are still uncertain of their status and have themselves been functioning as employees.

President Joaquim Chissano upheld the need to synthesize the experience gained with executive councils, cities, and communal neighborhoods over the years.

Following the meeting, the chief of state was greeted by the members of the executive council at a ceremony held in the building's auditorium.

During that ceremony, President Chissano was presented with a sculpture, a tea cart, a piece of fine bedroom furniture, and a check for 500 contos to be used to strengthen defense capability.

Outside the building, President Chissano was greeted by many people who had gathered there upon his arrival at the Executive Council Building. Several cultural groups performed for the chief of state.

11798
CSO: 3442/87

MOZAMBIQUE

NEW BEVERAGE, TOBACCO PRICES ANNOUNCED

Maputo NOTICIAS in Portuguese 5 Feb 87 p 1

[Text] New sales prices for soft drinks, beer, and processed tobacco will go into effect throughout the country today, according to notices delivered to this newspaper yesterday from the National Wage and Price Commission and the Ministry of Trade.

Soft drinks in Group I (Fanta, Coca-Cola, Pepsi-Cola, ginger ale, tonic water, and club soda) will now be sold to the public for 210.00 MT [meticals] (for a 1-liter bottle), 168.00 MT (family-size bottle), 70.00 MT (.5-liter bottle), and 48.50 MT (.25-liter bottle).

Soft drinks in Group II (Citrus, lemonade, strawberry, and Baia) will be sold to the public at the following prices (listed in the same order): 150.00 MT, 120.00 MT, 50.00 MT, and 35.00 MT.

Soft drinks in Group III (mineral water) will now cost the public 122.50 MT for a 1-liter bottle and 35.00 MT for a .25-liter bottle.

Beer prices to the public will now be as follows: for .28-liter NR bottles: 135.00 MT for 10-percent light beer, 142.50 MT for 12-percent light/dark beer, and 165.00 MT for 16-percent special beer; for .30-liter bottles (prices listed in the same order): 127.50 MT, 135.00 MT, and 156.00 MT; for .75-liter NR bottles: 255.00 MT, 270.00 MT, and 315.00 MT; for .60-liter bottles: 240.00 MT, 255.00 MT, and 300.00 MT; and for 1-liter bottles: 345.00 MT, 367.50 MT, and 420.00 MT.

The Secretariat of State for Tourism, in coordination with the Ministry of Trade, will set the prices to be charged by hotels and similar establishments.

In the case of processed tobacco, sales prices to the public per pack will be as follows: Vitoria: 405.00 MT; Palmar, FN, Polana, GT, Comodoro, and LM: 255.00 MT; Nilos: 225.00 MT; CB, Beira, MC, D. Carlos and 365: 240.00 MT; Caravela, Suaves, and Tipo-Raro: 135.00 MT; Havana, Cometa, Tam-Tam, Kwekweru, Orrera, and Ceumar: 120.00 MT; and Almirante (pipe tobacco): 660.00 MT per pouch.

The price of processed tobacco for sale to the public will be shown on the packaging (or pack of cigarettes), and in cases where the price is not so shown, the product must be sold at the former price.

At the next opportunity, we will publish complete price lists for these items. Those lists will also include the ex-factory prices and the sales margins allowed for warehouses and retailers.

11798
CSO: 3442/87

MOZAMBIQUE

SOFALA HIGHWAY REHABILITATION PROJECT UNDERWAY

Maputo NOTICIAS in Portuguese 5 Feb 87 p 3

[Article by Izequiel Guazai]

[Text] A general program for rehabilitating Sofala's main highways is underway in that province under the aegis of the Provincial Directorate of Construction and Water. The project, which is being financed in part by the Beira Corridor Program, covers National Highways 1 and 6. Highway 1 connects Maputo and Beira, while Highway 6 links Beira with Machipanda on the frontier with Zimbabwe.

Adelino Ribeiro, provincial director of construction and water, said a few days ago that the construction work underway on National Highway 1 was practically complete, with the section between Inchope and the Save River having been repaired. The work is being done by CETA [Structures, Leveling and Asphalt Building Company]--a Mozambican enterprise that does major civil construction jobs--and began in July of last year.

The cost of the work was estimated at about 50,000 contos, an amount which, according to Adelino Ribeiro, had to be diverted from other projects in the same field because specific financing could not be obtained for this project despite the contacts made.

National Highway 1, which links the cities of Maputo and Beira over a distance of more than 1,000 kilometers, is an important road link for the movement of products.

National Highway 6

Another highway included in the rehabilitation program currently underway in the province is National Highway 6 between Beira and Machipanda. Mentioned among the stretches of that road to be repaired is the section that runs from Inhamizua on the outskirts of Beira to the Dondo District. It includes the Pungue Lowlands, where temporary repairs are already underway.

The plans, which have already been worked out by a team of Canadian technicians involved in road construction, call for raising some sections of

the road about 80 centimeters and installing culverts to permit the rapid runoff of rainwater in rainy weather.

Contacts being made by the construction sector as part of the Beira Corridor Project may have favorable results leading to completion of the work before the end of this year.

Adeline Ribeiro also said: "As far as investing in this rehabilitation program is concerned, we have already identified a number of countries interested in financing this construction work, which will undoubtedly contribute greatly to increased security for vehicle traffic to and from the city of Beira."

In the meantime, the first phase of work in the Pungue Lowlands for repairing the section of National Highway 6 between Mafambisse and Tica--a distance of about 30 kilometers--has been completed.

According to the Sofala director of construction and water, the work done in that zone does not provide the final solution to the problems on that stretch of road, which have been making road traffic immensely difficult during the rainy season and sometimes even interrupting it.

"But the work that has been done there will be able to withstand the flow of rainwater during the period of heaviest precipitation," noted our source, who emphasized the cooperation shown by the Central Section of the CFM [Mozambique Railroad] in providing some of the rock used in the construction work.

Beira Will Have Maintenance Enterprise

The Sofala Provincial Directorate of Construction and Water, in coordination with the Executive Council of the City of Beira, is studying the possibility of setting up an enterprise to repair and maintain roads in the capital of Sofala Province.

According to statements by Adelino Ribeiro, provincial director of construction and water, the activities of that future enterprise will also include repair and maintenance of the storm ditches, which, because they are poorly maintained, cause the roads to flood and, as a result, to deteriorate.

Establishment of an enterprise for that purpose was pointed to by Adelino Ribeiro as the solution that should be adopted to straighten out the problems affecting the city of Beira's main arteries.

11798
CSO: 3442/87

MOZAMBIQUE

WATER RESOURCES INSTITUTE TO BE CREATED SOON

Maputo NOTICIAS in Portuguese 5 Feb 87 p 8

[Text] A project supervised by the National Commission for UNESCO to create a Water Resources Institute in Mozambique has already entered its final stage. This program is directed by the National Directorate of Waters financed by the United Nations Development Program (UNDP).

Dr Carlos Machili, secretary general of the National Commission for UNESCO in Mozambique, who revealed this fact, added that the present phase of the task of creating this middle-level educational establishment in our country involves the overall evaluation of this important project.

During the interview, Carlos Machili also referred to other assistance projects by the National Commission for UNESCO, such as education in the area of population, financed by the United Nations Fund for Population Activities (UNFPA). This agency also finances another maternal-infant health project, in charge of the Ministry of Health.

These projects are implemented with the technical support of UNESCO technical specialists. This agency has aided the projects it is carrying out in our country, through three types of financing:

--Financed by funds from other UN agencies;

--Financed by the fund of UNESCO itself, which in technical terms are known as regular programs and participation programs;

--Fiduciary funds, which consist of money grants by a particular government to UNESCO for the implementation of a project in any country.

In the interview, Carlos Machili also spoke of other processes that are also in charge of the National Commission for UNESCO. Such is the case of the incorporation of Mozambique Island as the cultural heritage of mankind.

With regard to this subject, our interviewee added:

"We sought to see if UNESCO can help us in the preparation of this great national heritage. Our objective is to see that that heritage will be not only Mozambican but become a cultural heritage of mankind because of its historic importance and the cultural values that it harbors.

Dr Carlos Machili stressed, however, that this process will take some time because it has to go through inevitable bureaucratic processes. He gave assurance, however, that at the proper time Mozambique Island is going to be submitted as a candidate for recognition as a cultural heritage of mankind.

It should be noted that the National Commission for UNESCO in Mozambique was created in 1980 and is presided over by Minister of Education Graca Machel, with Fernando dos Reis Ganhao as vice-chairman. This commission is also comprised of representatives of the Ministries of Culture, Information, Construction and Waters, and democratic mass organizations.

For implementation of the programs agreed with UNESCO, this commission has an Executive Secretariat headed by a secretary general. This Executive embraces several specialized areas, the important ones being education, culture and information, human and cultural sciences, and natural sciences and technology.

Dr Carlos Machili, secretary general of the National Commission for UNESCO added that one of the immediate objectives of the Executive that he heads is to open a documentation center soon or in the course of this year, since we have between 3,000 and 4,000 volumes of a technical nature which we will place at the disposal of the public as soon as we are organized.

Since last year, the People's Republic of Mozambique has had a permanent delegation operating at UNESCO headquarters in Paris.

With regard to the objectives and functions of this organ, Carlos Machili said:

"Since last year, relations between Mozambique and UNESCO have been served by another organ that is extremely important: the permanent delegation to UNESCO. Within UNESCO, we have an office headed by the ambassador of Mozambique to France, who is also the ambassador extraordinary and plenipotentiary of Mozambique in UNESCO. Everything that we decide as a government we send to the permanent delegation, which in turn submits it to UNESCO and follows up the process for the speedy adoption of decisions favorable to Mozambique."

UNESCO, the United Nations Educational, Scientific and Cultural Organization, was created in 1946. The People's Republic of Mozambique has been a regular member of UNESCO since 1976.

8711/6662
CSO: 3442/86

MOZAMBIQUE

LIGHT INDUSTRY SECRETARY EXPLAINS ECONOMIC REHABILITATION PROGRAM

Maputo NOTICIAS in Portuguese 20 Feb 87 p 3

[Interview with Secretary of State for Light Industry Francisco Caravela; date and place not given]

[Text] Secretary of State for Light Industry Francisco Caravela stated that the Economic Rehabilitation Program (PRE) involves above all a new method of economic management, requiring the use of the tools of economic management, cost accounting in particular. In an exclusive interview granted to NOTICIAS, Francisco Caravela emphasized that the managers must necessarily develop in terms of competence, using economic mechanisms in order to be able to find their way in the new situation. The following is a transcript of the entire interview with the secretary for light industry and food.

[Question] Mr Secretary, since the PRE is designed primarily to reactivate the family farm sector, it should, in the medium time range, improve the supply of raw materials for the light and food industries. Will there not, however, be an interval in which the enterprises in this sector, not as yet having the raw materials to process, will have tremendous difficulties in dealing with the increase in their costs? How do you see this situation?

[Answer] Perhaps I should begin with a little explanation of some basic questions concerning the PRE. This is a program we have drafted for execution during the next 3 or 4 years. It is aimed basically toward two fundamental goals. The first is an increase in our domestic material production, consumer, food and nonfood goods in particular. The second major goal of the program is a reduction in the centers of financial imbalance from which our economy has suffered for some years. This means that with the increase in material production, with some measures in the economic sector to promote national production, together with measures of a financial nature having to do with prices and wages, the result will be that this whole program will constitute a united whole producing growth in the entire national economy.

To achieve this, it is really necessary to establish which are the main branches involved in material production, and therefore great priority is given in this connection to increasing farm production. In this agricultural area, the family sector takes on basic importance, because it is there that the largest part of our population is engaged. The second reason for its

importance is that from the foreign exchange and cost point of view, it consumes less, and because of the volume or quantity of goods it can produce, it is more important than our other sectors.

This is a little of what our past experience has taught. Therefore the agrarian policy in this area gives priority to the family sector. And it has another special aspect which is also very important. It is seen in the fact that this is the sector which can produce an increase in farm production with the least cost, while the business sector, both state and private, needs another type of investment, another kind of dynamism, which may come more slowly. Therefore the family sector can achieve much more rapid growth, and this is the task assigned to it within the context of the economic rehabilitation measures.

The question which arises is whether farm production in the family sector will respond in the medium term, and also how the industry which depends on and consumes our domestic raw materials will function in this period before family farm production increases. I should say that the path chosen means that it is the family farm sector which will respond most quickly, because we cannot wait for the medium time range to achieve results. It must begin to produce results now. Therefore, all of the philosophy in the agrarian policy contemplates this precisely. If we had chosen another type of strategy, then we might have had important results only a few years from now. Therefore, regarding this time gap between the present and the medium time range, the farm sector will have to respond beginning this year, the following year, and 2 and 3 years from now.

The truth is that in the first year, it will not have the capacity to respond or to supply all the raw materials our industry needs. This is because it also has another role to play, which is producing supplies for domestic industry and also surpluses for export. Thus it has a great role to play within the context of the economic rehabilitation measures. For a time, our domestic production will not be increasing fast enough to meet all of the needs of industry, particularly the food industry and the textile industry, which uses cotton fiber, and other sectors which use products on the various processing levels for this basic raw material, cotton. Until this sector can fully satisfy the needs of our domestic industry, the plans within the PRE itself call for channeling foreign resources on a priority basis so that this key sector can also supplement its needs with imported resources. To this end, a whole series of actions is planned on the government level to obtain foreign financing. What the program calls for within the economic measures is a series of priorities for obtaining the resources the country does not have, so that the program can be fulfilled in its totality. The family and industrial sectors, particularly the industrial sector, constitute a cycle which is being ever more fully completed, because when the family sector produces and reacts to the economic and financial measures in the PRE, this will mean an increase in production and will make the factories in this sector viable. And this will mean that the state is in a position to produce larger quantities of consumer goods which the peasants themselves need, thus completing the cycle increasingly and truly allowing us to launch a process of accumulation, of creating wealth for the later steps in the development of our economy.

[Question] Generally speaking, what are the prospects for the sector in the short, medium and long range?

[Answer] In general terms, the PRE represents a certain program of work, let us say, for these 3 or 4 future years. In reality, it begins with the whole past, which we cannot forget, with the economic reality, the domestic and international situations and the relationship with all of these things, which come basically from the colonial era. The role which the light and food industrial sector must play is basically to complete this cycle which encourages and gives content to farm marketing.

Therefore the basic aspect of the program is agrarian production. Light industrial production will provide a basic impulse so that the farm sector can fully carry out the mission assigned it by the Economic Rehabilitation Program. In terms of industrial philosophy schemes, it is based fundamentally on the medium time range, on a program of recovery for the enterprises themselves and rehabilitation in its specific sense. In other words, it is not a program which calls for great investment for expansion or innovations to increase the installed capacity in the country.

Essentially, it is designed to rehabilitate the currently installed capacity, and naturally, therefore, to increase its use, which is at present at a rather low level. Thus the proper use of this capacity will make it possible to deal successfully with three important aspects. First, the raw material, of which greater quantities are needed, while secondly, there is the technical rehabilitation of the industrial park, which, as is known, is diversified and has various origins. This creates many problems in stock handling, spare parts and maintenance, and in fact it requires substantial foreign resources to equip even that portion which is inoperative, so that technically it will be truly usable. If this is not done, we run the risk of having the raw materials but not being in a technical position to ensure that the factories can efficiently process and use these raw materials.

Apart from these two important aspects, there is another which is crucial to the process. That is the question of trained cadres, skilled workers, technical cadres, related to the burdensome heritage the country has received from the colonial era. As is known, it is necessary to train good engineering cadres, good economists, in order to make possible proper operations, good systems of preventive maintenance, proper repairs and good schemes for the economic and administrative management of the enterprises. Therefore, within these programs for rehabilitation, the investments for the rehabilitation of the enterprises and factories, there is a very important component, which is the training of various types of skilled personnel for this sector. This is also important, because to the extent that we are successful in this program, we will reduce the foreign exchange needs of the country, for truly the country has been spending a great deal on hiring foreign technical aid.

It should be stressed that in recent years the problem has even become somewhat more serious, because even the middle-level workers have been leaving the enterprises, either because of wages or because of other types of lures, which allow them, let us say, to survive under the speculative system, since wages as such can now be regarded as satisfactory. The very recovery of

production in the enterprises itself will make a great contribution, for in the industrial sector, a worker can be very good, but if instead of working on his machine for 8 hours, he only works 2 because there are no raw materials, after a certain time he no longer has the same skill as he had when he worked full time. Therefore, increasing the use time for equipment, in and of itself, when properly administered by the enterprise management, will ensure that these workers regain greater skills.

It is obvious that this alone will not suffice, because there are the technical-vocational training plans which are basic to any increase in the capabilities of our workers. Generally speaking, these are the strategic goals within the rehabilitation program for this sector. Retraining from the technical point of view is needed for the management of our industrial enterprises. To achieve this, certain other types of support are necessary, and the whole national complex and the state apparatus itself must be available for the task, which involves new schemes for relations among businessmen, facilities for support in training and a certain innovative activity in technological terms. All of this will ensure that our industry, even before it can be totally autonomous, because it depends heavily on imports, can have some more solid national foundations, such that it can further complete itself. This is necessary because the relations between two domestic enterprises are very often only possible through a third country, through imports.

There are even actions planned for this purpose in the complementary aspect of the industrial chain itself, particularly in the production of spare parts, the production of components which can be used by other enterprises, thus reducing imports. Again, another extremely important measure involves incentives, the creation and development of local industries, meaning the industries of smaller size and capacity. These will essentially be installed in zones which are potential producers of the raw materials these industries will use, processing them in the rural sector. From this we can achieve savings in transportation costs, and this production will basically be consumed by the local population centers. This is an extremely important measure, and it implements one of the directives established by the Fourth Congress of the FRELIMO Party.

[Question] What role will the light and food industries play in combating speculation and, in general, in stabilizing prices?

[Answer] To answer this question, I would go back to what I said earlier, that is that the goals of the PRE are to increase domestic material production and to reduce the monetary and financial imbalances which the country now has. Secondly, it means that in practice, we must know what this imbalance is and how it is manifested. As we all know, a limited social stratum, particularly in the cities, is able to buy a large part of the fund of goods the country has the capacity to make available. This small social group, which has large sums of money saved up, does not produce this wealth. Therefore this is fictitious purchasing power, because it is purely monetary, but it exerts tremendous pressure on the entire economy, thus throwing a whole series of things out of balance. For example, speculation develops because of this precisely. Speculators can purchase large quantities of goods diverted from

the normal distribution circuits, and by selling them on the blackmarket at speculative prices, they reproduce this tremendous monetary mass. They are basically diverting the income of the working and producing strata, whose members do not have very high income, and who are also unable to find the products they need in the economy's legal distribution circuits.

The elimination of this problem depends fundamentally on the economic bases, that is the material production of the country. The goods offered to the people must increase so that from a physical point of view, the people will feel ever less need to have recourse to speculation, because they will increasingly find the products they need available on the official market. On the other hand, it is necessary to limit the sources which finance speculation and, although it does not seem so, it is really the workers who finance speculation, many of them unaware of it. But it is the wages they receive, their income, which makes it possible. Apart from other political-administrative measures, the PRE is basically designed to combat this black market and to broaden the official market steadily.

And let us say that here it is not only light industry which will make a basic contribution, for along this axis to which I have referred, domestic agriculture and industrial processing will contribute to increasing the quantity of goods offered to the consumer population in the country.

On the other hand, as production increases, the difficulties the country is experiencing from the point of view of quantity will be reduced. Apart from this, the measures of a financial nature to which I referred at the beginning will also help to bring about this adjustment, such that each individual can consume in accordance with what he earns. Yet a third aspect involves the policy in the trade sector, and thus the workers' privilege of direct consumption through the social centers. And we would say that definition is necessary to close the trade circuit to the consumer, the worker, the citizen, to define the circuits such that the greater part of the production will in fact be channeled to those who need to consume it, blocking the openings through which it can be drained off for the black market circuits.

Thus in the middle of this whole economic fabric which has been planned through the Economic Rehabilitation Program, the role of industry is not only to define its production costs and prices such as to ensure greater justice from the economic point of view and compensation for the factories and producing enterprises, but also to ensure that these costs will not be too burdensome and violent for the people. But all of this must be supplemented with a whole complex of measures, particularly in the trade sector, which will give the worker, the honest citizen, direct access to the goods he needs.

[Question] Mr Secretary, there are many small and average enterprises in your sector, some of which seemingly have little potential for economic viability. What future do you see for these enterprises? Won't the economic measures which are to be implemented lead to the absorption of the small and average enterprises by the large ones, which have a greater potential for survival under the current conditions? What is the government policy with regard to this possibility?

[Answer] It is true that there are many enterprises with financial and economic difficulties, due to an internal structure in the enterprise itself which was created and established to exist and survive in a given economic situation, that of the colonial era. We all know that in situational terms, great changes have come about since that time, and throughout these 11 years of our national independence. Many of these enterprises cannot adapt their structures to the present new situation, and basically, this means that they have not been capable of becoming heavy importers, so that they are based on the use of domestic resources, and perhaps will begin to export more. It has not been possible to make this adaptation because it did not depend on the enterprises themselves, and truly they do have problems. But the PRE means above all a new method of economic management, not only on the national level but particularly on the level of each enterprise. And if the national economy is to be managed in this way, they must adopt objective economic norming, basically requiring each economic agent to achieve the basic goals of the PRE.

For this reason we say that the PRE covers a broad sector of management, meaning the attribution of great autonomy to the state, private and mixed enterprise business administrators. This autonomy will mean that the weight of many of these decisions will have to be borne, technologically and scientifically, by the enterprise managers. The program sets some priority goals in terms of production. For example, the program might say that TEXTAFRICA is more important than TEXLOM, or that TEXMANTA, which produces blankets in Cabo Delgado, is more or less important than FACOZA, which also produces blankets, in Maputo. The program tells us that the blanket product is strategic and important. It will be the responsibility of the managers, for example, to stay within the parameters describing their function in the economy, to benefit from this, to improve their management methods, to reduce waste, costs and their wage funds so that their products will be truly more competitive.

Being competitive means that an individual enterprise can earn greater or lesser profits as a function of its greater or lesser efficiency in economic management. This will force the enterprises to be better organized, and to have cost accounting, for example, in order to know exactly how much what they produce costs and to cease to produce when it would mean a loss. If they know their cost structure very well they can establish which sector is most flexible, so as to take steps to reduce activity in one place to earn more in another. This is the dynamics which a businessman must have. This has previously been done, administratively speaking, by the sponsoring state organs. The program therefore takes this extremely important aspect, the method of economic management, into account. Thus the manager must necessarily develop in terms of competence in a business sense, or otherwise his firm will not survive the process. Therefore, some of the enterprises may even have to shut down for reasons of viability.

But there will really be none of what we might call a paternalistic policy granting credit to enterprises independent of whether or not they are capable of managing their assets correctly.

It is a question of reintroducing a new truth, such as to force economic agents to develop. To relate this to your second question as to whether there

is a danger that the small and average enterprises may be absorbed by the large ones with a greater potential for survival, the matter is not as linear as that. At this point I would not be so sure about the statement that the larger enterprises have a greater potential for survival from the economic and financial point of view. Generally speaking, in times of economic crisis, the small enterprises have a greater potential for surviving, because they have a smaller structure which is more readily adaptable to new situations. But the large enterprises really have greater difficulties in making this adjustment within a short time. They, then, are the enterprises experiencing the greater losses and deficits, while the smaller ones, if a given product is no longer viable, can produce another. We might say that the enterprises and the businessmen have the freedom, some autonomy, to do this, because naturally this program also provides and makes intelligent and scientific use of some of the objective laws of economics, in particularly those pertaining to the market. And if the manager produces a product which is not useful, which no one needs to consume, only because it is cheap to produce it, then no one will buy it because it has no value and does not meet a real social need. And then he will not succeed in obtaining the value of the goods, being unable to sell them, and thus this production, even if new, will not prove viable. Then he will be forced to produce things which are really useful to society, for marketing, and also for export. Generally speaking, it is not the task of light industry to produce for export. As everyone knows, the sources of income in our economy in the colonial era were basically agricultural and railroad and port services. Light industry serves mainly to supply the marketing circuit, but it will now also begin to play an important role in finding new products and new markets, such that this industrial branch itself may undertake the management of some foreign exchange to resolve some of its problems.

Therefore, it is not clear that the large enterprises have a greater potential and will absorb the others, no. Perhaps the others really have fewer problems and can survive better. It is not a question so much of surviving, and I would not use that word, but would rather say growing. For the implementation of the PRE really depends above all on the productive sector. It is for this reason that the entire price, credit and interest-rate policy, including the new systems of taxing enterprises--this whole complex of policies is really designed to promote the increase in material production. Sometimes we are shocked by the increase in taxes, or rising prices, and some products which are production factors also go up, and then we ask what the reaction will be. The fact is that this whole complex is minimally related to more harmonious indicators on the national level. The main responsibility lies with the managers themselves, who will have to function using all of their knowledge within the existing economic fabric.

5157
CSO:3442/102

MOZAMBIQUE

FOOD AID FOR MNR VICTIMS IN MANICA

Maputo NOTICIAS in Portuguese 30 Jan 87 p 1

[Text] A program for the distribution of food products has been prepared in the District of Manica. That program will benefit families that have been recovered from the captivity of the armed bandits; that have returned recently to the country from Zimbabwe where they had gone due to terrorism, and who live in the outskirts of the city, forced as a consequence of the drought. Each family will have the right to acquire 100 kilos of grains, for example.

Alexandre Tiago, the AGRICOM district delegate in Manica, told our correspondent that, in the spirit of pursuing that initiative, all small farmers will receive means and factors of production, specifically fuels and hoes, and support in tilling and hoeing by means of animal traction, provided on a priority basis by that marketing company in coordination with the local political organs.

The best small farmers in the region will have priority in the purchase of essential products such as sugar, edible oil, in addition to fabrics manufactured by Textratifica as an incentive.

Coping With Difficulties

Using 34 workers, two of whom are women, the Manica AGRICOM is struggling with the lack of transportation, operating with only one tractor for the long distances in the district. Nevertheless, this impediment has not represented cause for discouragement by these workers, who have operated in the present campaign in Nhaucaca, Bandula, Garuzo, Chicamba, Chinhambuzi, Vanduzi, M'Sica, and Machipanda.

In the last marketing campaign for small livestock, the company bought 256 animals: 125 chickens, 74 ducks, 51 kids, 4 hogs, and 2 cows.

In the purchase of grains, the company succeeded in exceeding the target of 100 tons, reaching 250 tons, a figure equivalent to 150 percent above the established plan, notwithstanding the failure of some middlemen in the marketing process due to the intense rains that fell in the region.

The AGRICOM delegate in Manica said also that the company has sugar and soap in stock as incentives and is also waiting for other products intended for exchange and for cash sale.

"The company needs everything the farmer has to supply the city and the recovered and repatriated populations," declared Alexandre Tiago, adding that his company returned various articles and knick-knacks to the Provincial Delegation in Chimoio because there was no demand for them among the farmers.

"The population in Manica District does not need knick-knacks; it needs textiles, blankets, and essential products such as sugar, oil, soap, and rice," emphasized our source.

In addition to mobile brigades operating in the areas located large distances from the district, the company also has four marketing middlemen, who are traders located in the districts of Zonue-Rio, Selva, Forte Messica, and Mutambalico.

8711/6662
CSO: 3442/86

BREAKDOWN BY PROVINCE OF PEOPLE NEEDING EMERGENCY AID

Cape Town THE ARGUS in English 18 Feb 87 p 21

[Text]

IN Mozambique they are called "Desalojados" — the hundreds of thousands of people who have been made homeless because of war, drought and hunger.

More than 3,5 million people, fleeing from anti-government rebels, are roaming the country looking for food and shelter. Those who make it to refugee centres find that the Government is almost incapable of helping them. And, the war could seriously hinder any aid programme to the rural areas where most of them are.

In cities like Quelimane hundreds of refugees from the country side are sleeping on the streets, it has been reported in Maputo.

With a bankrupt economy and unable to guarantee the minimum food production, Mozambique is today a country which is totally dependent

on international handouts to feed most of its population.

International aid organisations have warned that Mozambique could this year "become a very serious tragedy" if emergency food aid is not sent to the country.

Mozambican officials said that in some areas it is virtually impossible to send food and other aid because trucks are ambushed by bands of rebels who either steal or burn the food.

The Mozambican Red Cross recently published a report on the situation around the country and said that more than 3,5 million people are in urgent need of aid.

The report, published recently in the Mozambican

weekly *Tempo*, gave the following number for each of the Mozambican provinces affected: Inhambane — 430 000; Sofala — 571 209; Manica — 94 810; Niassa — 430 000; Cabo Delgado — 4 097; Zambezia — 847 000; Tete — 458 000; Nampula — 130 000; Maputo — 270 871; Gaza — 332 892.

"In Manica people are eating roots from wild trees and are wearing bark from trees to cover themselves," *Tempo* said.

Last week two British aid organisations, Oxfam and Save the Children Fund, declared Mozambique an emergency area but there are fears that the famine in Mozambique could this year be worse than the one experienced in 1983, when thousands of people died throughout the country.

/9274

CSO: 3400/204

TETE REFUGEES FIND SHELTER IN MOATIZE RAILWAY YARD

Harare THE SUNDAY MAIL in English 22 Feb 87 p 5

[Article by Omar Ahmid]

[Text]

MOZAMBIQUE authorities, with assistance from aid organisations, have set up a reception centre for people fleeing from Renamo bandits, in an abandoned railway yard at Moatize in the Tete province.

Thousands of displaced villagers from northern Mozambique have had to find shelter in disused railway wagons and a handful of tents while efforts are made by the authorities to find them place in resettlement areas.

The Sunday Mail flew to Tete last week with the regional director of Norwegian People's Aid, Mrs Kari Dako, to have a look at the plight of the victims of the war between the Mozambique National Resistance and the Mozambican government.

Mrs Dako was taking a consignment of penicillin to the State Hospital in Tete.

At Moatize, about 20 km from Tete, a once bustling railway shunting yard is now home for about 7 600 refugees. Many of them are living inside railway wagons, under trailers or in tents provided by the aid organisations.

According to Pedro Viagem and Frederick Jim, two administrators at the camp, food supplies are adequate but there is an acute shortage of essential medical supplies.

Dysentery is rife, and the camp draws its water from the nearby Zambezi River.

Some of the camp's inhabitants have been there for some time. One woman said she arrived there in November last year. She fled the fighting in the north with her two children, one who subsequently died.

A 51-year-old man from Zambezia province, Cde Silver Silemane, said he fled when the MNR bandits attacked his village late last year. He was separated from his family, a wife and six children, who he believes are in Malawi. Efforts were being made to repatriate them, he said. In the meantime he was biding his time at the camp, living in a small tent provided by World Vision.

Apart from the lack of medical supplies, one of the major problems at the camp appears to be the total lack of any recreational facilities for the inhabitants. When The Sunday Mail arrived, most of the men were just sitting in the shade, while the women went on with their business of cleaning clothes and utensils and cooking. Even the children, and there were many of them, appeared to be lethargic.

Understandably, as the camp is merely supposed to be a transit centre for the refugees, there would be no point in the setting up of training facilities or schools, which are

provided at the resettlement areas. The oppressive heat and humidity too has a bearing on people's desire to play any sort of sport.

Nevertheless, a member of one of the aid organisations working at the camp admitted that many of the people were bored with the inactivity. In any case, things have improved at the camp, as the numbers there have diminished since last year since new resettlement areas such as Estima, near Tete, are opening up.

Meanwhile the aid organisations continue to try and improve the infrastructure in the area. A Danish volunteer, Klm Peterson, is busy setting up a training centre for plumbers in Tete. With assistance from the Norwegian People's Aid organisation, he hopes that the school will open at the beginning of April this year.

The need for plumbers in Tete town, and in the province as a whole is acute. "The biggest problems are maintenance," he said. "Tete has a population of 70 000, while the water system can only cater for about 30 000." The company that maintained the water system in the province was desperately short of skilled workers, hence the training school. Courses would last about six months, and boarding facilities would be provided, he said.

MOZAMBIQUE

SUSSUNDENGA FARMERS GET READY FOR HARVEST

Maputo NOTICIAS in Portuguese 4 Feb 87 p 2

[Text] The agricultural harvest from the 1986-1987 season is being viewed with great seriousness by the peasants in the family, cooperative, private, and state sectors in Manica Province's Sussundenga District. They have shown great diligence, especially during the first phase of the season, which consisted of plowing and sowing. Besides the boost being given to the process by the overseeing organization, the District Directorate of Agriculture (that being its job), there is also direct involvement by the local party structures, specifically to make the peasants aware of the need to increase the area under cultivation, the purpose being to lessen the effects of the famine that is threatening the bulk of the Mozambican population.

The first task carried out at the start of this agricultural season was that of alerting the inhabitants to the need to set aside cereal seed--most of it produced locally during the preceding season--so as to avoid the shortage of seed with which the peasants have been struggling.

It was because of that effort that there was no shortage of cereal seed for this season. According to what we have learned from officials in the sector, the seed that came from other regions was not used by the peasants because they already had enough of their own in reserve to cover the areas they planned to plant this time.

What the peasants had not set aside as a reserve was beans of all kinds and seed for vegetables, cotton, and Rhine potatoes. If they are not helped out with seed of that kind, this season's production of those crops in the Sussundenga District may be jeopardized.

As far as butter beans are concerned, the district director of agriculture in Sussundenga, Venancio Chacai Veremo, explained that last season's production had been very low, with the result that all the beans produced in that season were consumed.

In the case of "batatarana" and vegetables, Venancio Veremo told NOTICIAS that it had not been possible to keep seed because of weather problems, which had caused a steady rotting of the seed that had been set aside.

One District: Three Temperatures

The Sussundenga District has great potential for agricultural production owing to the fertility of its fields. That fertility is made possible by the diversity of temperatures affecting the fields in its various zones.

On collective farms in the district administrative center, corn is produced only once a year and at the favorable time, whereas in Dombe, that cereal can be produced throughout the year with the same yields. In Rotanda--in the same district--the temperature is cooler, so, naturally, production in that zone is more profitable and excellent.

In comparison with other zones in the same district, Rotanda also grows a great variety of crops. Garlic and wheat are now grown there in great quantities, along with other kinds of crops, something that does not happen in the other regions.

Planting of corn, cotton, sorghum, and other crops continued until December 1986 in the Sussundenga District, and at the same time, hoeing was done on land already planted. One fact deserving emphasis is that during the planting season, it was noted that every worker in the sector--including people from other fields of activity--became involved.

That activity, which was headed personally by the first secretary and district administrator and other party and state cadres in Sussundenga, was aimed at ensuring that the established goals would be met after noting the absence of rainfall during the normal period. Because of that problem, production plans in the family sector as well as in the private, cooperative, and state sectors came very close to being jeopardized.

Three support brigades were formed, it being understood that one would help with the planting at the Sussundenga State Agricultural Enterprise, another would help out at the local agricultural cooperative, and the third would help a number of private individuals with relatively large acreages who were having some difficulty in completing their planting within the stated time. The process continued until 15 December 1986.

Agrarian Region

A new organization known as the Agrarian Region was introduced in Manica Province's Sussundenga District in 1984 and has been in operation since then. Its purpose is to carry out the integrated development of agriculture in that region.

The Agrarian Region operates with a regional chief and is subdivided into five agrarian zones of influence, each with its own supervisor.

Since the organization was established, it has engaged in rather important activities for the benefit of the peasants, namely by solving farming problems for them, meeting their needs in the way of farm implements and seed, distributing the same, and explaining farming methods.

From the time when that experiment began, production in that region also began to rise, even among peasants with small holdings. The agricultural sector in Sussundenga now has animal traction. The state sector possesses five yoke of oxen, and the cooperative sector has nine, not to mention the family sector, which has been quite favorable in its reaction.

Venancio Veremo concluded his remarks with a complaint: "We would like to see a mechanism established for selling spare parts for animal-drawn plows. We have families in the district that have encountered difficulty in doing their work because their plows need parts, and they find it impossible to buy new parts even with money in their hand."

11798

CSO: 3442/87

NEW COLLECTIVE FARMING METHODS INTRODUCED IN INHAMBALE

Maputo NOTICIAS in Portuguese 5 Feb 87 p 3

[Article by Bento Niquice; first paragraph is NOTICIAS introduction]

[Text] New methods of collective production are being encouraged by the socioprofessional and mass organizations in Inhambane Province. Those methods have been introduced in agriculture for the first time and have already made it possible to establish associations of farmers and coconut producers in that province. The experiment is giving indications that it will soon be possible to achieve sizable yields as a result of that collective work, writes our correspondent in that region of the country.

The establishment of associations by the democratic socioprofessional and mass organizations in Inhambane got its start in the middle of the 1985-1986 agricultural season and comprised two groups: Group A, consisting of the OMM [Organization of Mozambique Women], the OTM [Mozambique Workers Organization], and the CRM, and Group B, consisting of the OJM [Mozambique Youth Organization], the ONP [National Teachers Organization], and the AMASP [Mozambican Association for Friendship and Solidarity With Peoples].

The first group set up its project on what had previously been operating as the OJM's Provincial Center for Production and Cadre Training, located in the Chibobuchila region about 18 kilometers from Morrumbene, the district administrative center.

Besides extensive areas for farming, the project includes a large palm grove with about 3,000 coconut trees. The farmland is divided into two distinct zones, one in the mountains and the other in the valley along the Phanga River, whose drinkable water runs all year long. The two zones combined are estimated to total 700 hectares. It needs to be pointed out that the largest area is in the dry zone, a circumstance that makes work difficult because there is no motor pump for collecting water from the river and irrigating those particular farms. This is a particularly serious problem when one considers that rainfall is scarce, not to say nonexistent, in that zone.

Joao Dias Festo, a middle-level agricultural technician who has been assigned to the locality since the start of the current season, told our reporters that

97,000 coconuts were marketed through middlemen last year, bringing in 1.94 million meticals. "The coconuts were marketed in Gaza and Maputo Provinces under the cooperation agreements signed between the country's three southern provinces," he said.

Besides the assistance provided by that technician, the project has also been receiving help from the CAFUM in Inhambane and the Morrumbene DDA [District Directorate of Agriculture] as far as supplies of chemicals are concerned.

The 5 hectares of cotton planned for this season are now half complete. That slight delay is due to the lack of rainfall and the late arrival of seed for planting that crop, which is important for exports and national industry.

Eight hectares have also been planted in corn, and a harvest of 5 metric tons is expected. There is also the prospect of growing 4 hectares of vegetables and other summer crops. Of the total area set aside for those crops, 2.5 hectares have already been prepared, as have five plots for the seed beds.

Group B a Future Enterprise?

For anyone aware of local realities, it would be no exaggeration at all to say that the zone assigned to the Agricultural Association of the OMM, the OTM, and the Continuators provides the natural conditions for setting up an agricultural and stockbreeding enterprise, provided that the proper conditions in terms of equipment and technicians are first created.

This involves the Mabulucuane zone, a little over 3 kilometers from the Morrumbene district administrative center. It was previously occupied by the OMM Provincial Center.

The camp has socioeconomic infrastructures, namely a dormitory that can house 60 people, a dining hall, a kitchen, showers, poultry runs, pig sties, a ramp for vehicle repairs, and other facilities.

It covers an estimated 800 hectares and, as is also true of the Chibobuchila project, is divided into two production zones, one a dry zone and the other in the valley along the Cambine River.

It has a palm grove with about 5,000 coconut trees and a grove of 2,000 orange, tangerine, lemon, and other fruit trees.

Although no technician is assigned to the site, it receives regular assistance from the Morrumbene DDA in the form of seed and from the Inhambane CAFUM Office in the form of chemicals.

It has a (damaged) tractor, three yoke of oxen, and 31 workers. For that matter, the Chibobuchila center also has three teams of animals. In both cases, the teams were furnished by the provincial government to help those associations get started, a fact proving that collective work is also a way to make it easier for official bodies to provide the support necessary for the country's development.

Four hectares of corn, 1 hectare of rice, and 1 hectare of cotton have been prepared for this season, and there are plans to prepare 4 hectares for vegetables.

The biggest problem being experienced ever since last year has to do with the lack of a means of transportation for getting coconuts to the marketing centers. Another, equally disturbing problem is the lack of a motor pump for irrigating the land.

11798
CSO: 3442/87

MOZAMBIQUE

BRIEFS

ITALY TO FINANCE AGRICULTURE--This year, the Italian Government will finance the Sicingir agricultural project in Homoine District, Inhambane Province. The financing which is estimated at \$6 million will be in two phases. The Sicingir agricultural program was launched with financing from the United Nations Development Program. [Text] [Maputo Domestic Service in Portuguese 0500 GMT 5 Mar 87 MB] /9599

TETE EXPECTING HIGHER INCIDENCE OF FAMINE--The Department of Prevention of and Fight Against Natural Disasters in Tete Province has told our correspondent that the number of people affected by famine in the province will this year be much higher than in 1986. Rocha Nuvunga, the head of the provincial department, said that up to the second half of 1986 over 450,000 people had been affected by famine. He added that the combined lack of rains this year and South Africa's armed bandit terrorism has aggravated the situation in Tete Province. [Text] [Maputo Domestic Service in Portuguese 1030 GMT 2 Mar 87] /9599

CSO: 3400/203

SWAPO CLAIMS WEST 'PLUNDERING' URANIUM

MB061633 Dakar PANA in English 1620 GMT 6 Mar 87

[Text] Dakar, 6 March (PANA)--The South West Africa People's Organization has denounced Western countries for what it described as the intensified plunder of Namibian uranium.

In a press release to PANA in Dakar on Friday, SWAPO, the liberation movement fighting for the independence of Namibia, said there is overwhelming evidence that large amounts of uranium originating from Namibia are reaching nuclear processing companies in most European capitals.

It quoted the Brussels international press service as recently alerting the world to this fact.

Among the Western countries named by the release as continuing to shamelessly plunder Namibia's natural resources, uranium in particular, are Britain, France, Federal Republic of Germany, Belgium, Japan and others within the United Nations.

A number of nuclear companies and public utilities in these countries, according to SWAPO, are known to contract for uranium oxyde from Rossing Uranium Ltd, one of the biggest uranium-mining concerns operating in Namibia.

These companies include British Nuclear Fuels (BNF), Areenco (Holland), Comurhex [word indistinct], Kansai Electric Power Company (Japan), Urangesellschaft, Veba AG and Uranit of the Federal Republic of Germany and the state-owned Eldorado Nuclear Corporation of Canada, SWAPO disclosed.

SWAPO of Namibia especially singles out Belgium, the only EEC member of the 31-nation signatories of UN Council for Namibia Decree No 1, as according port distribution facilities to illegal Uranium ore shipments from Namibia to Western European countries.

Some 400 containers are off-loaded every year at the Belgian port of Zeebrugge, according to the press release, which added that in December 1986 alone in [words indistinct], Helderberg, Sederberg, Transvaal, Waterbert, Winoerberg and the Nedlloyd Horn carrying illegally extracted Namibian Uranium docked at this port.

SWAPO also accused Belgium of being recently involved, through a Brussels-based air charter centre, in secret American arms trafficking to apartheid South Africa in violation of the international arms embargo.

The statement released by SWAPO's chief representative for France, Belgium and Switzerland, Eddy Amkongo, condemned all the countries concerned for their economic selfishness. Such acts only contribute to prolonging the suffering and inhuman exploitation of the Namibian people and to the illegal occupation of their country by the racist South African regime, the statement added.

To this effect, it recalled United Nations Decree No. 1 of September 1974 which among other things stipulates that no person or entity ... may search for, prospect for, explore for, take extract, mine, process, refine, use, sell, export or distribute any natural resource, whether animal or mineral, situated or found within the territorial limits of Namibia, without the consent and permission of the United Nation's Council for Namibia.

/8309

CSO: 3400/228

NAMIBIA

POLICE CONFIRM SWAPO MEMBERS LASHED TO VEHICLE

MB061415 Umtata Capital Radio in English 1300 GMT 6 Mar 87

[Text] Police in Windhoek have finally confirmed that the dead bodies of SWAPO fighters were lashed to an armored vehicle and driven through an area in northern Namibia last year. Two months ago, THE NAMIBIAN newspaper published photographs of this saying the parading of dead SWAPO members was a frequent occurrence in the war zone. A police official, Inspector (Durand), confirmed that the bodies had been lashed to a spare wheel and the front bumper of the vehicle, but said that this was because there was not enough space for the bodies inside the casspir.

/8309
CSO: 3400/228

NAMIBIA

NUJOMA CLAIMS RSA ESCALATES VIOLENCE

Interview With ZBC

MB061828 Harare Domestic Service in English 1600 GMT 6 Mar 87

[Text] The president of the South-west African People's Organization, Comrade Sam Nujoma, says South Africa is escalating violence against the civilian population in Namibia. In an interview with the ZBC in Harare today, Comrade Nujoma said the regime had formed special murder and terror squads in the guise of giving (?soldiers) the authority to shoot at will. He also said the Pretoria regime is extending the South African Defense Act to Namibia under which men between the ages of 18 and 65 are conscripted into the army. He also said under such an act the Namibians are forced to kill one another. The racist regime has also instituted the district security act prohibiting journalists from traveling out of Windhoek without the permission of the army or the police.

Meanwhile, Comrade Nujoma said SWAPO's fighting unit PLAN [People's Liberation Army of Namibia] had destroyed 12 SADF bases, shot down 40 military transport planes and 60 helicopters, and killed and wounded hundreds of South African soldiers in the past 12 months. On the recent dispute between the Pretoria regime and its puppet interim administration to work harder towards to mobilizing the reluctant masses. He said the puppet administration had been expected to (?declare) to the people of Namibia such stupid ideas as bantustans [words indistinct] and the Botha administration was threatening to remove it. Comrade Nujoma said South Africa is spending U.S.\$3 million a day on forces in Namibia. South Africa continues to occupy Namibia in defiance of the United Nations.

Interview With ZIANA

MB070550 Johannesburg SAPA in English 2216 GMT 6 Mar 87

[Text] Harare March 6 SAPA--SWAPO's president, Sam Nujoma, tonight warned that American involvement in the rebuilding of an airbase at Kamina in southern Zaire was a threat to Frontline States opposed to South Africa. "It is a threat to Africa as a whole because Frontline States could become victims of American actions like the bombing of Libya last year," he told Zimbabwe's semi-official news agency, ZIANA, in an interview. He called on African nations and the Organisation of African Unity to pay attention and check these developments in southern Africa.

Mr Nujoma, who is in Zimbabwe on a two-day visit to brief the chairman of the Non-aligned Movement, Zimbabwean prime minister, Mr Robert Mugabe, on the situation on SWA/Namibia, warned of the dangers of possible deployment of American troops in the region. "The airbase poses a real threat to southern Africa," he warned. The SWAPO leader said he hoped that the United States was not planning direct military involvement in southern Africa because, like the Reagan administration's policy of constructive engagement, the airbase threatened the struggle for liberation.

Earlier today the U.S. charge d'affaires in Zimbabwe, Mr Ed Fugit, told a meeting of the National Forum in Harare that the U.S. Defence Department had begun discussions with Zaire to refurbish the airbase "that would possible be for our use if needed." Speaking on behalf of the U.S. ambassador to Zimbabwe, Mr James Rawlings, Mr Fugit said it was Defence Department policy not to comment on whether the airbase would be used to support UNITA rebels in southern Angola.

A report in THE NEW YORK TIMES earlier this year quoting diplomatic and business sources as saying that the U.S. Central Intelligence Agency used the abandoned airbase in a highly secret operation to airlift arms to UNITA troops in southern Angola was neither confirmed nor denied in Washington by a CIA spokesman. The spokesman said the agency normally neither confirmed nor denied any allegation of cover activities, but that "any covert activity we might be conducting would be in support of U.S. policy and under appropriate authority.

In its special report THE NEW YORK TIMES wrote that C-130 and Boeing 707 cargo jets with the markings "Santa Lucia Airways," landing mainly at night, arrived at Kamina airbase with arms deliveries on three occasions last year.

One diplomat was quoted as saying the operation was being run by a black American known as colonel who was in charge of 20 men, including some Zaireans.

The airbase, which was built by the Belgians in the early fifties, was left to deteriorate over the past 20 years.

Asked whether the airbase would be used by the U.S. to intervene militarily in southern Africa, Mr Fugit said his country had no military forces in sub-saharan Africa "unlike several East European countries and a Caribbean country," except in Morocco and Libya several years ago. "We are looking at the region as a super-power needing various options. It is not a tendency to have bases, but planning for contingencies and the possibility to have the means in future," he said.

In what was referred to as a major U.S. foreign policy statement, the American ambassador said in the speech read on his behalf by Mr Fugit that Americans saw Zimbabwe as a model of prosperity and stability in a strategically important region beset by economic backwardness and political strife. Mr Rawlings said that the failure of the Zimbabwean model would have damaging repercussions beyond its borders. "It would, I believe, open the door yet further to the

meddling of the Soviets and their surrogates whose foreign policies thrive on conflict and confrontation," he said. Mr Rawlings said that this was one reason why the U.S. spent large amounts of diplomatic and financial capital to help in the transition from Rhodesia to Zimbabwe.

Asked to comment on the American ambassador's speech, Mr Nujoma said that since 1983 the Reagan administration had bailed out repressive regimes, including using its power in the International Monetary Fund to secure a 1.7 billion U.S. dollar loan for South Africa. This money, he said, was used to strengthen the apartheid economy and buy weapons to suppress the legitimate aspirations of the SWA/Namibian and South African people.

"We realised long ago that after the defeat of the shah of Iran, the U.S. is now shifting to the Middle East and southern Africa," he said.

The SWAPO president warned that Africa had to defend against becoming a neo-colonial area of the U.S. The U.S. was interested in the airbase at Kamina because of the weakness of Africa within the American global strategy and to act in defence of racist South Africa.

Referring to the struggle of the Vietnamese against U.S. imperialism, Mr Nujoma said this was the only path left for the people of South Africa and SWA/Namibia. "The struggle against the oppression of our people has nothing to do with communism. We have a legitimate right to fight because we are oppressed," he said.

Blaming communism for the turmoil in southern Africa was blackmail and had to be condemned and rejected.

"Zimbabwe is a good example because before independence they called the leaders of the liberation struggle terrorists and now they call us commies," he said. Mr Nujoma said this was nonsense.

While SWAPO was continuing its armed struggle in which 40 South African troops were killed last week, he said his party was prepared to talk to South Africa in preparation for the adoption of United Nations Resolution 435. The UN resolution adopted in 1978 calls for a ceasefire, withdrawal of South African troops from SWA/Namibia and UN-supervised elections. South Africa was employing the delaying tactic of linking SWA/Namibia independence to demands for the withdrawal of Cuban troops from Angola, said Mr Nujoma.

"In view of Pretoria's intransigence and its refusal to cooperate with the UN secretary general to implement Resolution 435, we feel that the only alternative open to us is to carry out the armed struggle with intensity. This is what is happening at the moment, said the SWAPO leader.

He emphasised that the stepping up of the struggle in both South Africa and SWA/Namibia was part of the strategy of the liberation movements working together for the ultimate collapse of apartheid and he condemned America's role, saying the U.S. administration lacked an effective Africa policy.

SWATF, SADF, SWAPO REPORT ATTACKS, CASUALTIES

SWATF Statement

MB091614 Johannesburg SAPA in English 1451 GMT 9 Mar 87

[Text] Windhoek March 9 SAPA--Security forces from northern SWA/Namibia have shot and killed 26 SWAPO insurgents in various skirmishes in the last 18 days, bringing to 298 the number of SWAPO losses to date this year, the SWA Territory Force said in Windhoek today.

The security forces suffered two losses. Their particulars would be released by the South African defence headquarters in Pretoria, the SWATF said in a statement.

The SWATF statement said there were several incidents at the weekend aimed at intimidating civilians in northern SWA/Namibia through SWAPO's armed wing in an attempt "to regain lost prestige after the painful losses suffered (by SWAPO) in the short time" since the beginning of the year.

The home of an Ovambo headman, Mr Gabriel Kautima, was attacked by armed SWAPO insurgents with 60mm mortar bombs and small-arms fire about 10km west of Etale in the early hours of Friday morning. The homeguard drove off the attack and there were no casualties or damage.

In the early hours of Saturday, the home and shop of an Ovambo headman, Mr Gotlieb Dan, were attacked with 60mm mortar bombs, but the homeguard routed the attackers, the SWATF said. The shop was badly damaged, but nobody was injured and there was no damage to the kraal. Mr Dan was away from home at the time of the attack.

The SWATF said slight damage was caused to Olyaanhenge School near Okalango at 1 a.m. on Sunday by a SWAPO bomb.

Severe damage was caused to Tsandi School 10 days earlier when a corner pillar was shot away by explosives, the statement added.

SWAPO Press Release

MB120914 Dakar PANA in English 0820 GMT 12 Mar 87

[Text] Luanda, 12 March (PANA)--SWAPO has described a South African claim that it has killed more than 300 SWAPO fighters while losing only 21 of its troops this year as a pure fabrication, according to a SWAPO press release in Luanda yesterday. The release said, whilst grossly exaggerating SWAPO casualty figures as usual, the statement is in itself an admission by the enemy that there is an escalation in the armed conflict in Namibia. It noted that in their effort to paint a false picture of hollow victories, the racist propagandists are being caught up in their own lies, as is always the case when fabricating stories.

Only last November, the racist propaganda machine boasted in the right-wing London DAILY TELEGRAPH that they had driven SWAPO back to the first stage of guerrilla warfare, the organisational stage, claiming further that PLAN [People's Liberation Army of Namibia] combatants last only four days on average before they are killed or forced to flee. The paper went on to claim that there were only just 90 insurgents being hunted around the clock in the north, and that SWAPO has lost 10,350 men in the war.

The SWAPO release noted that the exaggerations and contradictions are so glaring. It pointed out that only in the last two months of 1986, the racist regime claimed that military victory is now in grasp and that it was about to achieve the only second successful counterrevolution this century (after the British-malaya war in the 1950's), as it boasted to have virtually eliminated SWAPO's fighting forces inside Namibia.

The release further said that, two months later, the same regime is claiming to have killed 300 SWAPO combatants in a series of combat engagements in Namibia. All of a sudden, just 90 insurgents being hunted around the clock have multiplied to the extent that 300 have been killed in the first two months of this year, it added.

Pretoria should stop deluding itself that it is or will ever achieve a military victory in Namibia. The notion of a second successful counter-revolution this century is definitely an illusion of hope, the release stated.

It noted that the objective reality is that the People's Liberation Army of Namibia (PLAN) is steadily intensifying the armed liberation struggle. In January alone, it carried out 66 combat actions, resulting in 40 South African soldiers killed and 138 others wounded, while itself suffering a loss of 14 combatants.

In the same period, PLAN continued to demonstrate its improved aerial power by downing two enemy helicopters and four military planes shot down by PLAN in 1986.

The release stated further that, racist propaganda and disinformation to the contrary, the real picture inside Namibia is thus one of an escalating military confrontation, and PLAN combatants are quite confident that in the coming weeks and months developments in the Namibian war theatre will give the lie to Pretoria's hollow claim to be winning a counter-revolutionary military victory in Namibia.

SADF Statement

MB130627 Umtata Capital Radio in English 0500 GMT 13 Mar 87

[Text] The South African Defense Force has denied it lost 40 soldiers in skirmishes with SWAPO guerrillas in Namibia. The rebel movement yesterday said 40 soldiers were killed, 2 helicopters, and 4 planes shot down in January. It said it has carried out 66 attacks against South African forces in that month and that more than 138 SADF soldiers have been wounded. But the SADF has called the allegation absurd.

/8309

CSO: 3400/228

NAMIBIA

POLICE COMMISSIONER VOWS INQUIRY INTO BEATINGS

MB091615 Johannesburg SAPA in English 1527 GMT 9 Mar 87

[Text] Windhoek, March 9, SAPA--Police would carry out an investigation into alleged torture of SWAPO captives by members of a police counter-insurgency unit and by the security branch in northern SWA/Namibia, the commissioner of the SWA police, Lt-Gen Dolf Gouws, said in Windhoek today.

He said an inquiry would be instituted in view of several policemen having testified in the Windhoek Supreme Court that they had beaten a number of alleged SWAPO insurgents presently standing trial on more than 200 charges under the Terrorism Act.

An officer of the police counter-insurgency unit, Capt Frantz Ballach, told the court last week that the assault of a detainee was necessary in order to obtain information on the location of explosives caches.

/8309
CSO: 3400/228

WHITES VISIT ZIMBABWE TO OBSERVE MAJORITY RULE

MB100916 Johannesburg SAPA in English 0908 GMT 10 Mar 87

[Text] Harare, March 10, SAPA--A group of white SWA/Namibian businessmen and farmers is in Harare on a fact-finding mission to observe life under majority rule.

Mr Ulrich Eins, owner of a meat processing company in Windhoek, and his group of 12 which includes three women, arrived in Harare on Sunday for a three-day visit organised by an interest group of German-speaking SWA/Namibians.

The 45-year-old company executive told ZIANA, Zimbabwe's semi-official news agency, that the interest group with a membership of 2,000 from among the 20,000 German-speaking white SWA/Namibians, saw parallels in the political histories of SWA/Namibia and Zimbabwe.

"We also have a war situation in our country," said Mr Eins.

"The main objective of our visit is to acquaint ourselves with how Zimbabweans, blacks, whites and Asians go about their day-to-day lives and what problems and achievements they have seen in a newly independent Zimbabwe."

Mr Eins said that like Zimbabwe, the South West African territory shared a common border and had trade links with South Africa.

Yesterday Mr Eins and his colleagues had talks with several government ministers. They also met representatives of the Commercial Farmers Union and visited the agriculture research and training farm on the outskirts of Harare.

Today the group is scheduled to have discussions with leaders of the Confederation of Zimbabwe Industries. The speaker of the House of Assembly, Mr Didymus Mutasa, is expected to host a luncheon party for the visitors.

Mr Eins said that from Harare his group flies to Lusaka in Zambia for a one-day visit during which it will meet government officials, representatives of SWAPO and visit the United Nations Institute for Namibia.

Of the group's visit to Zimbabwe, Mr Eins said the country had "really come together" despite the fact that people were at war only eight years ago.

"We have found a positive and realistic attitude from both sides, the government and the private sector, blacks and whites and the various factions," he said, adding: "There is plenty of potential to get together and build up the country constructively."

Asked how white SWA/Namibians viewed neighbouring black independent states, Mr Eins said their perception was influenced by South African propaganda that the countries were led by governments with "so-called socialist and communist ideologies."

"This is what South Africa says and this is what the whites believe."

/8309

CSO: 3400/228

BABANGIDA OPENS ANNUAL ARMY STAFF TRAINING CONFERENCE

Kaduna NEW NIGERIAN in English 27 Jan 87 pp 1, 3

[Article by Nkem Agetua]

[Text]

THE role of the military in national development should be carefully re-assessed, the President, Major General Ibrahim Babangida said in Lagos yesterday.

He also urged participants at the opening of this year's chief of army staff annual training conference at the Nigerian Institute of International Affairs, (NIIA), to focus primarily on the role of the military and its training in the art of governance.

President Babangida stressed that such a perspective was necessary, if we were to strengthen our resolve to create a better social and political environment.

The President talked on the rationale for military rule in Nigeria, pointing out that there were no fewer than nine identified causes of military intervention in African politics.

These, he said, ranged from weaknesses of political institutions to the professional and corporate actions of officers as well

as the class orientation of such officers.

General Babangida also said we had even been informed that the idleness of soldiers and the neglect of military interest could cause military intervention.

President Babangida then raised a number of questions, especially as they relate to the role of the military in national development.

He said first, the basis of military rule has not been so much its inherent superiority over civil rule (and vice versa), rather it has been whether or not such a role was normal.

Secondly, he said, the justification and explanation of the military rule has been a reaction of the shortcomings of the displaced civilian rule and the general frustration in the society.

President Babangida said there was need to define and redefine such assessment in the light of the objectives the present regime has set for itself.

He said once we have done that, "we can then re-examine the role and training of the armed forces in the art of governance."

President Babangida expressed his view that the true course of national development was an activity that should be the concern of every citizen.

For this administration, he said, "we have set for ourselves a

course which is based on three pillars — economic reconstruction, social justice and self-reliance.

He said the administration intended to bring about such an order through a minimum government which was devoid of the control syndrome and one which concentrated on the provision of basic utilities and services.

Commending the armed forces for its continued support, the President said the difficulties of the time posed special challenges to the army leadership.

He urged that the training programme must continue to inculcate the virtues of humility, sense of mission, respect for human rights and social justice.

In his speech, the Chief of Army Staff, Major-General Sani Abacha, said the army was proud of General Babangida, because of his efforts to revamp the gloomy economy of the nation to a bright one.

He pledged the army's "steadfast loyalty to you and the administration."

General Abacha also expressed the army's gratitude for the continued interest in their welfare, adding that the army would also do all it could to assist in the task of revamping the nation's economy.

/9274

CSO: 3400/195

AIKHOMU ANNOUNCES DONATION TO NON-ALIGNED AFRICA FUND

Kaduna NEW NIGERIAN in English 27 Jan 87 pp 1, 3

[Text]

NIGERIA has donated 15 million dollars (about N54 million) to the Non-Aligned Africa Fund to assist liberation movements and the Frontline States in their fight against the racist South African government.

The Chief of General Staff, Rear Admiral Augustus Aikhomu, announced the donation in New Delhi on Saturday at the two-day summit of the nine-member committee of the fund.

Rear Admiral Aikhomu said the amount was in addition to Nigeria's bilateral assistance to each of the Frontline States.

India's Prime Minister, Mr. Rajiv Gandhi announced a total collection of 70 million dollars (about N252 million) to the fund with his country donating 40 million dollars (about N144 million).

Leaders of the nine-nation Africa Fund hailed the Non-Aligned "blueprint of positive" action to help Frontline States and appealed to powerful nations to throw their might on the side of human good and comprehensive, mandatory sanctions against the racist Pretoria regime.

"We have only begun the battle we have thrown the gauntlet. This is a challenge to ourselves and to the world at large," declared Zimbabwean Prime Minister, Mr. Robert Mugabe, chairman of the 101-nation Non-Aligned Movement (NAM).

Heading the speakers at the concluding session of the two-day summit of Africa fund in New Delhi, Mr. Mugabe said the peo-

ple of South Africa had high and legitimate expectations and that their hopes were vindicated.

"It is a realistic and sober assessment of the real needs of the domestic and external victims of apartheid," he said.

Zambian President Kenneth Kaunda called on the international community to institute appropriate measures aimed at implementing the plan of action which the New Delhi summit approved.

Dr. Kaunda, who is chairman of the Frontline States, said the implementation of the plan of action would "undoubtedly entail a lot of sacrifice in terms of human and financial resources as the apartheid regime and its surrogates in Angola and Mozambique were likely to intensify their banditry."

He appealed to the international community to generously provide assistance to the Africa Fund as it was the "only way that the effects of retaliatory actions by the Pretoria regime can be minimised."

Congolese President Denis Sosou Ngueso, who is current chairman of the OAU, described the African Fund as an "important step forward in strengthening and consolidating the Non-Aligned Movement."

NAM, he said, was a party to today's reality and appealed to the international community to throw its weight in the struggle for the restoration of human dignity in southern Africa.

Rear Admiral Aikhomu has since returned to Lagos.

/9274

CSO: 3400/195

UN PANEL RESETTLES, INTEGRATES REFUGEES

Lagos DAILY TIMES in English 31 Jan 87 p 16

[Text]

THE United Nations Commission for Refugees has rehabilitated 5,000 refugees in Nigeria with the aid of self-help projects.

Of the number, 4,000 Chadians, who fled their country were locally integrated in farming and other ventures in Borno State.

Others, including Ghanaians, South Africans, Rwandese, Namibians, Ethiopians, Beninoise, East Europeans, Sri Lankans and Ugandans are working in UN small-scale industries scattered all over the country.

These facts were made known in Lagos on Wed-

nesday during an interview with the UN high commissioner for refugees in Nigeria Mrs. D.B. Lasan.

The high commissioner said that the funds for the settlement of the refugees were provided by the United Nations.

She explained that the UN also supported liberation fighters who found their ways into the country by offering them scholarships to study in the country as well as protecting them.

She however, explained that only those refugees who complied with the 1951 Convention and 1967 protocol relating to the status of refugees, are considered for assistance.

/9274
CSO: 3400/195

NIGERIA

SUBSIDY TO BE REMOVED FROM CRUDE OIL, PRICE INCREASE EXPECTED

Kano SUNDAY TRIUMPH in English 1 Feb 87 p 1

[Text] The price of crude oil sold to Nigerian oil refineries is to increase by 150 per cent as from March this year.

The Nigerian National Petroleum Corporation (NNPC) presently sells a barrel of crude oil to the refineries at a heavily-subsidised rate of N7, which goes up to N18 under the new dispensation.

Enquiries made by the SUNDAY TRIUMPH revealed that the NNPC had communicated this new price policy to all oil marketing companies and independent marketers of petroleum products.

Official sources said the NNPC was being forced to remove subsidy on the crude oil sold to local refineries as a result of the introduction of the Second-tier Foreign Exchange Market (SFEM) which had eroded the profit maring of locally-produced petroleum products.

Another argument which the NNPC advanced to defend the astronomical price increase was that the refineries procure spare parts and other materials at SFEM rate.

With the increase in production cost of refining, it is certain that the prices of fuel and other petroleum products will go up in the first quarter of this year.

President Ibrahim Babangida, in his budget speech on January 1, had warned that if the smuggling of petroleum products persisted the Federal Government might increase the prices of those products.

Meanwhile, oil marketing companies and independent marketers of petroleum products have been complaining about the adverse effect of SFEM on oil marketing.

For instance, the Managing Director of National Oil Company, Mr Moshood Akanbi, said the SFEM had eroded the profit margin of petroleum product marketers.

He said NNPC had made available copies of reports on product prices and profit margins which he said would go a long way towards realistic prices for petroleum products.

In his comment, the President of the Independent Petroleum Marketers Association (IPMAN), Alhaji Halhinu Abdullah, said that with the advent of the SFEM, members of the association have been finding it increasing difficult to operate in view of the inflation in the country.

He appealed to the NNPC to increase its overall margin by 94.4 percent which, he said, would leave them with 7.07 Kobo as against the present 8 kobo per litre.

To make petroleum products available to Nigerians at government-approved prices. Alhaji Abdullahi said his association was planning to build a lubricating plant in Kaduna at a cost of about one million Naira.

/9274
CSO: 3400/196

BANK MANAGER ON CENTRAL BANK'S SFEM INTERVENTION

Kaduna NEW NIGERIAN in English 28 Jan 87 pp 1, 3

[Text]

THE Managing Director of the Union Bank of Nigeria Limited, Mr. P.A. Ogwuma has justified the intervention by the Central Bank of Nigeria (CBN) to stabilise the exchange rates of the Naira.

Mr. Ogwuma told the bank's pre-annual general meeting with the press and stock-brokers in Lagos on Monday that the monetary authorities of any country were entitled to intervene in such a matter.

He said recently the governments of West Germany and Japan intervened to halt further depreciation of the U.S. dollar relative to their own currencies.

The objective, he said, was to retain the competitive advantage of their exports into the U.S. market, adding that if a country could interfere with a foreign currency, it

should be able to do the same with its own currency.

Mr. Ogwuma however, said he would like to see a two-way intervention by the CBN instead of the one-way which mainly concentrated on forcing the value of the Naira down.

The managing director said the five per cent allowed by the monetary authority to the three big banks — Union Bank, First Bank and United Bank for Africa — for the purchase of foreign exchange under the second-tier foreign exchange market was not acceptable.

According to him, statistics showed that before the introduction of SFEM, his bank handled about 20 per cent of all non-governmental foreign exchange transactions, the largest in the country.

He said the restrictions meant that the three large banks were not allowed to meet the needs of their customers, adding that "we are making further representations to the authorities for an increased ceiling which we hope will meet their favourable consideration in view of the weight of supporting statistics."

/9274
CSO: 3400/195

SURVEY BLAMES SFEM FOR DRASTIC DROP IN STANDARD OF LIVING

Kaduna SUNDAY NEW NIGERIAN in English 1 Feb 87 p 16

[Article by Bukky Wilson]

[Text]

THE standard of living of Nigerians has fallen drastically since the introduction of SFEM, a survey carried out by the *Sunday New Nigerian (SNN)*, has revealed.

SNN discovered that it is not only the poor or the middle-class who are feeling the crunch. Even the rich now have to cut down on a number of expenses they used to incur.

Our investigations revealed that while the economic crunch has been able to cut the excesses of the rich, the poor and middle class have simply fallen into penury.

Many homes have cut the number of meals they take to one a day.

The situation is particularly bad for civil servants in the junior cadre, daily paid workers and unskilled labourers.

-A lady who preferred

anonymity told the *SNN* at the Federal Secretariat in Lagos that her family menu has since taken a downward trend.

She said that she was married to a level 06 officer while she was a clerical officer on grade level 04.

She said that when the times were good, she used to prepare a pot of soup for her husband and three children every other day, but now she could only afford to prepare a pot of soup once a week.

She recalled that on other days, her family used to make do with bread and water and soaked garri, adding that they now patronise roadside Yam and plantain sellers, a habit she claimed she had just cultivated.

She said that even with their combined salaries, they still find it difficult to cope with the many expenses.

/9274
CSO: 3400/196

NATIONAL DIRECTORATE OF EMPLOYMENT LAUNCHED

Programs of New Directorate Highlighted

Kaduna NEW NIGERIAN in English 31 Jan 87 pp 1, 3

[Article by Suleiman Dangana]

[Text]

PRESIDENT Ibrahim Babangida has warned that the newly launched National Directorate of Employment should not be inhibited by unnecessary administrative bottlenecks but should operate with reasonable flexibility outside the rigid rules of bureaucracy.

Launching the directorate in Lagos yesterday, the President said in implementing its programmes, the directorate should cooperate fully with state and local governments and with the private sector.

The President, who was represented by the Chief of General Staff, Rear Admiral Augustus Aikhomu said where possible and subject to negotiation and agreement, the directorate should make use of facilities owned by state or local governments and the private sector.

He said such co-operation should be actively promoted in a spirit of give and take.

President Babangida also said

about 10 per cent of the labour force in the urban areas and 4.1 per cent of labour force in the rural areas were unemployed.

He stated that as a whole, there was an unemployment rate of over six per cent and that it was estimated that at least 3 million people were unemployed.

He stated that for the economy as a whole, such a high level of unemployment represented a gross under-utilisation of human resources which could not be ignored by any serious government.

President Babangida said the Federal Government recognised that the present high level of unemployment was essentially a reflection of the recession which has engulfed the Nigerian economy for the past six years, adding that the structural adjustment programme which was formulated by this administration would go along way towards eliminating the problem of unemployment.

He explained that the monetary, fiscal and general policy measures which formed part of the 1987 budget were all geared towards the revival of the economy and generation of employment opportunities.

Under the national youth employment and vocational skill development programme, it is estimated that training facilities would be found for 50,000

unemployment persons this year.

President Babangida also said 20,000 persons would be provided employment under the special public works programme.

He said examples of such public works with high labour intensity included construction and maintenance of roads, buildings, dams and other infrastructure environmental sanitation, planting of trees to prevent desertification and bush clearing for agriculture.

Unemployed youth with bright ideas and proven ability would be given financial assistance and any other support necessary to establish small-scale industries, he assured.

Under employment promotion in agriculture the directorate would promote labour intensive agriculture production in all states of the federation, the president said.

He added that unemployed people who were interested in agriculture would be given relevant training, provided with land and loans to engage in agriculture under proper supervision.

Immediately after the launching of the directorate, the first applicant under the apprenticeship scheme was registered.

He is Mr. Egbahi Christopher, a West African School Certificate holder, from Benue State. His first choice of job was accounting

and computer programming was the second.

Mr. Abiodun Ohisuwa from Bendel State was also registered for mechanical job.

Guaranteed Loan Scheme Established

Lagos DAILY TIMES in English 31 Jan 87 p 1

[Text]

A N30 million job-creation loan guarantee scheme has been established by the National Directorate of Employment.

The Minister of Employment, Labour and Productivity, Brigadier Ike Nwachukwu, disclosed this in his address on the occasion of the launching of the National Directorate of Employment in Lagos yesterday.

He said the amount would be deposited with participating banks to encourage banks grant loans to entrepreneurs to enable them create jobs for the unemployed.

Brig. Nwachukwu disclosed that 20,000 jobs have so far been created by the directorate under the special public works programme.

He said the figure was made up of 2,000 graduates and 18,000 non-graduates out of which the 19 states and Abuja, had 1,000 jobs allocated to each of them.

/9274
CSO: 3400/194

ABUJA PLOT HOLDERS TOLD TO DEVELOP OR RELINQUISH

Kaduna NEW NIGERIAN in English 31 Jan 87 p 16

[Article by Ibrahim Biu]

[Text]

ALLOTEES of plots in Abuja who fail to develop them within two years would "definitely lose them", Minister of the Federal Capital, Air Commodore Hamza Abdullahi, has said.

He expressed concern that individuals and corporate owners of plots within the FCT have not started meaningful development even after necessary infrastructure had been provided.

The minister who was briefing newsmen on activities of his ministry yesterday said 3,500 residential, 550 commercial and 416 industrial plots have so far been allocated to various individuals and organizations in Abuja by the ministry.

The minister said 400 plots were allocated for heavy and light industries at Gwagwalada and Idu industrial zones, adding that 500 commercial plots were also allocated to various companies such as SCOA Nigeria Limited, UAC., Leventis, CFAO., PZ and Chellarams while 40 other plots were allocated to commercial banks currently operating in rented houses.

Air Commodore Abdullahi said 16 plots were allocated for the establishment of petrol filling stations to curtail the perennial shortage of petrol in the city and 10 plots went to corporate bodies and individuals for the establishment of hotels and restaurants.

Twenty plots were allocated to religious organizations while

liaison offices have been allocated to all the states.

He also announced that preparation of layouts and master-plans for residential, commercial and industrial development as well as development control were being carried out.

The minister referred to the 35 million Naira paid out last year for the resettlement of displaced people and explained that as at now a resettlement task-force of the FCDA was investigating to ascertain those who were actually paid and those who were not.

He said inhabitants of the FCT who were also displaced by some projects but elected to remain within the territory had been resettled in New Usman Town while those displaced from Garki and Maitama would be resettled in Kubwa.

The Minister also announced that work on 3,705 abandoned housing units would soon be completed and the buildings would be handed over to government to accommodate more officials transferred to Abuja from Lagos.

Air Commodore Abdullahi said due to the increased tempo of work the number of houses completed has doubled from 2,938 in January last year to 4,247 in January this year.

He said Nyanya water project would soon be completed and more boreholes would be sunk in Gwagwalada.

/9274
CSO: 3400/196

NIGERIA

BRIEFS

EQUATORIAL GUINEA CADET TRAINING--The Nigerian Defence Academy (NDA), Kaduna, will begin the training of officer cadets from Equatorial Guinea by March. This was disclosed in Kaduna by the commandant of the academy, Major General Paul Tarfa, while briefing visiting President Obiang Nguema Mbasogo of Equatorial Guinea yesterday. The commandant said that officer cadets from the Nigerian armed forces were being trained at the academy with a view to training highly skilled and competent officers. Gen Tarfa said a department of Defence Study and International Affairs would be opened at the NDA in October. [Text] [Lagos DAILY TIMES in English 31 Jan 87 p 9] /9274

NEW AIRLINE SERVICES ABUJA--A new airline, the Jambo Air will start operating flight schedules to and from Abuja this week. In addition to this, the Nigeria Airways is looking into the possibility of increasing its flights to Abuja. Minister of Abuja, Air Commodore Hamza Abdullahi announced this on Friday during his ministerial press briefing at Abuja. [Text] [Lagos DAILY TIMES in English 2 Feb 87 p 3] /9274

CSO: 3400/197

BRIEFS

PREPARING FOR ELECTIONS--Axel Kichenin, leader of the Mouvement Progressiste Reunionnais and mayor and regional representative of Sainte Marie, has decided to hit back after his court sentence (see ION No 265) which would bar him from politics if upheld on appeal. Mr Kichenin, of Tamil origin, is already preparing for new elections, mobilising his supporters on communal issues and against a judgement he considers discriminatory. ION--The MPR leader is today very isolated on the political scene in Reunion. But he still enjoys the support of the Socialist and Communist parties on his own municipal council. In case of elections he would no doubt benefit from divisions among his opponents in Sainte Marie, and would have every chance of retaining his seat. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 24 Jan 87 p 4] /9274

NEW RIGHT-WING DAILY PLANNED--Auguste Legros, chairman of Reunion's general council, mayor of Saint Denis, member of France's ruling RPR party and substitute for the deputy Michel Debre, has decided to launch a daily called LE LIBERAL. The local right, particularly the RPR, feels that the JOURNAL DE L'ILE DE LA REUNION, which traditionally supported it, has lost its combativeness and its impact on the public. In principle local finance is available. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 24 Jan 87 p 4] /9274

CONSTRUCTION INDUSTRY RECOVERS--The construction industry which has been in trouble for the past few years (jobs fell from 11,000 in 1981 to 8,000 in 1984) enjoyed a recovery in 1986. Some 1,200 new jobs were created and the industry expects a further 1,000 this year. The situation was helped in particular by the tax concessions granted by the right-wing government of Jacques Chirac. However, these only concern high quality housing, while the local authorities are having great difficulty in carrying out their own housing programmes for lack of resources and the soaring price of land. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 31 Jan 87 p 6] /9274

CSO: 3400/181

ZAIRE

BRIEFS

AGRICULTURAL AGREEMENT WITH PORTUGAL--The Republic of Zaire and the Republic of Portugal have, at the end of their first joint commission meeting held in Lisbon, Portugal, from 9 to 11 March, signed a protocol agreement on technical cooperation in the agricultural sector. [Excerpt] [Kinshasa AZAP in French 1728 GMT 11 Mar 87 AB] /8309

CSO: 3400/228

ZAMBIA

KAUNDA OFFERS TO MEDIATE IN NAMIBIAN CONFLICT

MB061735 Johannesburg THE STAR in English 6 Mar 87 p 3

[By Brendan Seery of THE STAR's Africa News Service]

[Text] Lusaka--President Kenneth Kaunda of Zambia yesterday said he was prepared to act as go-between between the South African Government and SWAPO in a bid to reach a settlement in Namibia.

He said he was still prepared to have another meeting with President Botha, whom he last met in the historic "Marula summit" on the Botswana border in April 1982.

President Kaunda's offer to mediate in the Namibian conflict follows yesterday's statement by SWAPO President Mr Sam Nujoma that he was prepared to meet the South Africans at "any time and any place."

Mr Kaunda said should South Africa react positively to Mr Nujoma's offer, he was prepared to convene a meeting between Mr Nujoma and President Botha but stressed he was opposed to any meeting held simply to "show the world that people are meeting."

He said that in any war the time came when antagonists had to sit down and negotiate peace.

The Zambian leader said Mr Nujoma's offer had been made several times in the past but ignored by Pretoria.

However, he said he still fully supported the SWAPO's leader approach that Resolution 435 was not negotiable.

South Africa insists Namibia negotiations involve the internal parties. Mr Nujoma refuses all direct dealings with them.

Namibian administrator-general Mr Louis Pienaar said in Windhoek yesterday in reaction to Mr Nujoma's statement that the administration was willing to take up Mr Nujoma's offer if it was "serious."

/8309
CSO: 3400/228

ZIMBABWE

SENATOR URGES RETALIATION FOR MACHEL DEATH

MB060713 Johannesburg SAPA in English 0129 GMT 6 Mar 87

[Text] Harare, 5 Mar (SAPA)--A Zimbabwean senator has called for retaliation against South Africa for Mozambican President Samora Machel's death, the semi-official news agency ZIANA reports.

Speaking on a motion on President Machel's death which was adopted in Parliament today, Senator Chief Mangwende pointed out the South African foreign minister had admitted his initial statement about the death of the president had been incorrect.

"If a foreign minister later concedes that initially he had misinformed the public, are we not bound to conclude the cause of Comrade Machel's death?" he asked. "I believe even the staunchest supporters of apartheid-ruled South Africa are admitting privately that Samora Machel's death was caused by South Africa," he said.

"I believe the harsh manner of his death deserves a similar retaliation on the enemy. Our generations are going to fight South Africa until that country is free," he said.

South Africa believed that by brutally oppressing the black population using the gun it would silence it, he said. This would not happen, he said, citing Rhodesia as an example of where such tactics had failed.

"I am surprised that Botha is not at this stage in a position to learn from the experiences of his colleagues in Rhodesia," he said.

/9599
CSO: 3400/201

ZIMBABWE

BRIEFS

SURPLUS MAIZE STORAGE COSTS --A report from Harare says more than 2 million tons of surplus maize dotted across Zimbabwe in huge piles of plastic covered bags are posing an economic headache for the authorities. The grain, southern Africa's staple food, has been bought by the parastatal Grain Marketing Board at prices guaranteed before it was planted. It is costing the board about 16 million dollars a month to store the maize and in interest payments money borrowed to make the purchases. The report says the surplus, accumulated over the past 2 years of bumper harvests, represented about 2 years of domestic consumption and was set to grow as further deliveries were due. Some deals have been made with aid donors such as European countries and Australia to provide Zimbabwe with wheat in return for maize sent and to neighboring Mozambique where the United Nations has urged greater efforts worldwide to feed the hungry. [Text] [Johannesburg International Service in English 1100 GMT 3 Mar 87] /9599

COFFEE PRODUCTION, EARNINGS INCREASE--Foreign currency earnings for coffee exports have increased from 9 million dollars at independence to 55 million dollars last year. The administrative executive of the Coffee Growers Association, Mr Robin Taylor, says there has been an increase in coffee production. Mr Taylor says a number of communal farmers are engaged in coffee production, adding that the most successful are cooperative schemes in the Hwange Valley. He said although Zimbabwe grows and exports Robusta coffee, the climate conditions in the country are not conducive to quality yields. Mr Taylor also pointed out that the coffee which has been exported through Beira port in Mozambique has been efficiently transported and delivered. [Text] [Harare Domestic Service in English 0600 GMT 4 Mar 87] /9599

CSO: 3400/201

SOUTH AFRICA

CP DEPUTY LEADER REJECTS HNP COOPERATION PROPOSALS

MB031211 Johannesburg Domestic Service in English 1100 GMT 3 Mar 87

[Text] The possibility of an election agreement between the CP and the HNP has received another setback with the rejection of the latest HNP proposals by the CP this morning. The deputy leader of the CP, Dr Ferdie Hartzenberg, told our political staff that the new proposals, which dealt with the sharing of constituencies, among their things, was unacceptable to his party. He said no noteworthy concessions were made as regards the HNP's demand for a 50-50 sharing of constituencies.

The new proposals were handed to the CP by the HNP last week.

The leader of the HNP, Mr Jaap Marais, has since told our political correspondent, Frans Scheepers, that he is surprised at Dr Hartzenberg's reaction, because the proposals are far more reasonable than earlier proposals by the HNP. He pointed out that the proposals covered a far broader field than mere sharing of constituencies. Mr Marais said he believed there was wide support among members of the CP for cooperation with the HNP. For this reason, the HNP was now sending its latest proposals to all CP members of parliament and other influential members of the party.

/9599

CSO: 3400/202

SOUTH AFRICA

TREURNICHT: ELECTIONS TOO NEAR FOR CP-HNP UNITY

MB052041 Johannesburg SAPA in English 2040 GMT 5 Mar 87

[Text] Pretoria, 5 Mar (SAPA)--Unification of the political right wing was the ideal the Conservative Party strived for but the election was now too near for it to disband and unite with the Herstigte Nasionale Party [Reformed National Party], the CP leader, Dr Andries Treurnicht, told supporters in Pretoria tonight.

He was addressing about 1,500 people in the city hall, where the atmosphere was subdued compared to the 3,000 flag-waving, foot-stomping and cheering rightwingers who packed the venue last night to listen to militant Afrikaner Weerstandsbeweging [Afrikaner Resistance Movement] leader Mr Eugene Terreblanche.

The AWB leader made a final appeal for unity between the two parties in preparation for the 6 May election and received an overwhelming mandate to urge the CP and HNP to make a declaration of intent immediately to become one party after the elections.

There would then be no need to bicker over a division of constituencies between the two parties.

The HNP leader, Mr Jaap Marais, today rejected the proposal, saying it would mean the end of the HNP and that the government could stall the registration of a new party as long as it wanted.

Dr Treurnicht said tonight he appreciated the efforts of the organisations and individuals who were working for rightwing unity and that he had no dispute with them, but that he wanted to emphasise the role the CP itself had played to this end.

He asked supporters: "Do you want to see the CP, with its clear policy, disband and become part of a party whose policy will have to be amended?"

The CP had pleaded for unity in the by-elections in 1985 and last year, particularly towards the end of 1986, but the HNP had rejected this.

At the rightwing conference in Pretoria's Skilpad Hall on 24 January this year there had been solid support from HNP members for unity, and the CP, which was acknowledged as the stronger conservative party, had specifically delayed nominating its election candidates for 14 more days to give the NHP an opportunity.

"Our people want to be one and we want one conservative party...the CP, says this is recipe for victory."

The AWB's proposal was in essence that of the CP, and the party was committed to unification but it now impossible to stop the party's election machinery.

The party had 120 motivated candidates, with support, in the field out to beat the National Party, and they were fighting as a winning party.

/9599
CSO: 3400/202

SOUTH AFRICA

BRIEFS

BLACK ID BACKLOG DENIED--The Department of Home Affairs says there is no backlog in issuing identity documents to black people. A spokesman for the department in Pretoria was responding to allegations about problems with the handling of the large number of applications. He said that up to the end of last week about 347,600 applications had been received and successfully handled. Last week nearly 18,000 applications had been received daily. The spokesman said that so far no agreement had been reached with Bophuthatswana on Tswana citizens living in South Africa permanently relinquishing their Bophuthatswana citizenship. However, negotiations were still in progress. Several applications had already been received from Tswanas for new documents. [Text] [Johannesburg Domestic Service in English 1100 GMT 5 Mar 87] /9599

ALIENS ACT ARRESTS--House of Assembly, 5 Mar (SAPA)--Altogether, 10,795 people were arrested by the SA police for contraventions of the Aliens Act, the minister of law and order, Mr Adriaan Vlok, said today in a written reply to a question from Mr Tian van der Merwe (PFP Green Point). In an attached note, he said the majority of them (8,673) entered the eastern Transvaal area illegally from Mozambique in search of a better refuge. "Control over these aliens resort [as reside] with the Department of Internal Affairs who are responsible for their further handling," he said. [Text] [Johannesburg SAPA in English 1200 GMT 5 Mar 87 MB] /9599

1986 DEPORTATIONS--House of Assembly, 5 Mar (SAPA)--Altogether 32,273 people were ordered to be removed from South Africa last year, the minister of home affairs, Mr Stoffel Botha, said in a written reply to a question from Mr Tian van der Merwe (PFP Green Point). Of these 32,242 were blacks, 29 whites, and 2 Asians. The blacks were from Mozambique (19,083), Botswana (7,289), Lesotho (2,599), Zimbabwe (2,543), Swaziland (674), Malawi (37), Transkei (11), Tanzania (3), Zaire (2), and Zambia (1). The whites were from the United Kingdom (15), Germany (7), United States (3), and one each from Australia, Greece, Holland, and Malawi. Both Asians were from India via Kenya. [Text] [Johannesburg SAPA in English 1205 GMT 5 Mar 87 MB] /9599

TRESPASSING ARRESTS--House of Assembly, 5 Mar (SAPA)--A total of 95,384 black people had been arrested for trespass by the South African police countrywide in 1986 of whom 17,926 had been arrested in the 21 main urban centres, the minister of law and order, Mr Adriaan Vlok, said today in reply to a question from Mr Tian van der Merwe (PFP Green Point). The highest urban area arrests

were in Johannesburg (6,676) and the lowest Cape Town (2). [Text]
[Johannesburg SAPA in English 1155 GMT 5 Mar 87 MB] /9599

SADF DENIES CHISSANO CLAIM--The defense force has denied report that it is helping the Renamo Movement in Mozambique. A spokesman for defense force headquarters in Pretoria was responding to a BBC report in which President Joaquim Chissano of Mozambique was quoted. He is reported to have said during a visit to Zimbabwe that his government recently warded off an attempt by South Africa to supply arms to Renamo in Zambezia Province. [Text]
[Johannesburg Domestic Service in English 1915 GMT 5 Mar 87] /9599

CSO: 3400/202

SOUTH AFRICA

BRIEFS

TRANSKEI PRESIDENT BANISHES FOUR--Umtata, 3 Mar (SAPA)--An Umtata lawyer and three men from Cala have been served with banishment orders to different districts of Transkei, according to colleagues. The head of the security police, Gen Leonard Kaawe, could not be contacted to confirm the banishment orders said to have been served on the men. A Cala bookstore owner, Mr Viwe Gqwetha, said today that Mr A. Victor Ngaleka, Mr Meluxolo Silinga and Mr Zingisa Nkambule were removed from Cala by security police in terms of banishment orders signed by the state president, Paramount Chief Tutor Ndamase. A partner in the law firm to which Mr Dumisa Ntsebeza is attached, said Mr Ntsebeza was fetched at the firm's Umtata offices while he was still dealing with clients. He said Mr Ntsebeza had been served with an order banishing him to the Tsomo District and that he had seen him at an old school where he had been given a hut to live. "We will definitely be challenging these banishment orders, especially in the light that the same men, together with Mr Monde Mvimbzi, were served with similar orders in 1985, which were withdrawn in October 1986 when they were challenged." [Text] [Johannesburg SAPA in English 2146 GMT 3 Mar 87] /9604

BLACK OWNERSHIP OF TV--Johannesburg, 5 Mar (SAPA)--Black ownership of television sets has reached a plateau and was a manifestation of the seriousness of the current recession, market research has shown. The strong growth in television ownership among blacks since it was introduced had levelled off during 1986 and stabilized at 53 percent black adults having access to television in their homes or hostels. Market Research Africa results were based on 1,000 black adults in main metropolitan areas, excluding Cape Town. Omnimetro Surveys director, Mr Warren Low Kum, said the increasing electrification of black townships was expected to bring about a rise in television ownership. Access to television among blacks had increased on average by 6 percent each year since 1983, but stayed constant in 1986. [Text] [Johannesburg SAPA in English 0739 GMT 5 Mar 87] /9604

INKATHA BLAMED FOR VIOLENCE--Inkatha has been accused of causing nearly one quarter of the Natal and Kwazulu political violence last year. But the organization's head, Kwazulu's Chief Buthelezi is disputing the fairness of the study by Natal University lecturer Michael Satler. Dr Satler's report, compiled mainly from present government Bureau for Information reports, says Inkatha initiated 24 percent of the region's

unrest incidents last year. He says 36 percent were caused by unknown people; 11 percent by security forces; 11 percent by youth; 7 percent by vigilantes; 4 percent by UDF affiliates. He says most of the violence attributed to Inkatha involved attacks on people. Chief Buthelezi, however, says Dr Satler is a well known sympathizer of the UDF. He also says the staff association of the University of Natal, of which Dr Satler is a member, is an affiliate of the UDF. [Text] [Umtata Capital Radio in English 0800 GMT 4 Mar 87] /9604

BLACK HOUSING--House of Assembly, 5 Mar (SAPA)--A total of 8,021 houses had been built for blacks in the nine main urban areas in South Africa, the minister of constitutional development and planning, Mr Chris Heunis, said today. In a written reply to a question from Mrs Helen Suzman (PFP) Houghton, he said 4,202 houses had been built on the Witwatersrand; 1,443 in Port Elizabeth; 917 in Vereeniging/Vanderbijlpark; 582 in Kimberley; 557 in Cape Town; 221 in Pretoria, and 99 in Bloemfontein. None had been built in the Durban and Pietermaritzburg areas. [Text] [Johannesburg SAPA in English 1059 GMT 5 Mar 87] /9604

ARRESTS OF BLACK STRIKERS--House of Assembly, 5 Mar (SAPA)--There were 977 black people arrested for striking illegally in 1986, the minister of law and order, Mr Adriaan VLOK, said today in a written reply to a question from Mr Tian van der Merwe (PFP Green Point). [Text] [Johannesburg SAPA in English 1139 GMT 5 Mar 87] /9604

CSO: 3400/198

SOUTH AFRICA

COUNTRY TO FACE 'LONG-TERM' REFUGEE PROBLEM

Cape Town THE ARGUS in English 11 Feb 87 p 7

[Text]

JOHANNESBURG. — Refugees from Mozambique are likely to be "a long-term problem" for South Africa says Vice-Admiral R A Edwards, secretary of the Ministerial Co-ordinating Committee of the Nkomati Accord.

The influx from Mozambique was expected to increase by 10 to 15 percent, he said.

At present there are 300 000 Mozambicans in South Africa: 80 000 legal workers; 70 000 "refugees" and 150 000 illegal work seekers scattered around South Africa, particularly in the PWV area.

Since March 1986 the Department of Home Affairs has issued 50 000 provisional permits to Mozambican refugees in Gazankulu and Kangwane.

Repatriated

The permits — which entitle an "illegal alien" to a six-month stay in a defined area and access to short term assistance — apply only once Shangaan, Zulu and Swazi refugees have reached the safety of their respective tribal affiliates in Gazankulu, Kwazulu and Kangwane.

"Illegal aliens" caught en route were repatriated, Vice-Admiral Edwards said.

The assistance — food, clothing, medicine and shelter — were provided by local governments, the State, relief organisations like the Red Cross, Operation Hunger, the Salvation Army and churches, particularly the Catholic Church.

There were no refugee camps, he said. People stayed at temporary assembly points only until the local chief assigned a piece of ground, he said.

/9274
CSO 3400/190

SOUTH AFRICA

KRUGER PARK GETS 300 REFUGEES PER MONTH

Johannesburg THE STAR in English 9 Feb 87 p 1

[Article by Dirk Nel]

[Text]

Refugees from Mozambique are still entering South Africa through the Kruger Park at about 300 a month.

Venda and Gazankulu citizens told The Star that "scared and footsore Shangaan people" were arriving at regular intervals at northern outposts. Many were women carrying babies on their backs and some had walked 200 km, judging from their stated villages of origin.

Gazankulu Secretary of Health Dr R Robert said relief committees were operating in several districts with refugees being identified and registered by tribal authorities and health clinics.

He estimated the present influx of refugees at about 300 a month.

Accurate statistics are impossible in respect of others coming into the country through Zimbabwe and a narrow corridor between Venda and the Limpopo.

Dr Robert confirmed that most of the refugees had been registered and treated at a hospital at Acornhoek in the Eastern Transvaal since October, 1985.

Since then about 20 000 refugees had been provided with food and shelter by relief committees operated by his department.

● Operation Hunger and other sources believe the number of refugees in Gazankulu to be closer to 40 000.

/9274

CSO: 3400/190

UNIVERSITY HEADS CONCERNED ABOUT COERCION ON CAMPUS

MB040824 Johannesburg SAPA in English 0744 GMT 4 Mar 87

[Text] Johannesburg, 4 Mar (SAPA)--The heads of five universities today expressed their collegiate concern at the situation at the University of the North and called on the authorities to avoid the use of force and coercion. A statement issued by Prof Karl Tober, vice-chancellor and principal of Wits University and endorsed by his counterparts at the universities of Cape Town, the Western Cape, Rhodes, and Natal, said under present conditions, freedom is under siege.

The incursions on the freedoms of universities had aggravated and complicated issues and tensions at the University of the North which was expected to operate normally.

Scholarly endeavour cannot flourish where freedom is restricted. Equally, violence is deplorable and detrimental to the expansion of knowledge, the statement said.

The integrity of universities must rest on the responsible use of their freedoms and must be rooted in self-imposed discipline and a display of tolerance of the views of others.

However, enforced silence and curtailed movement are preventive measures which do not address the central issues of racism and racial discrimination. Until the rights of all people are guaranteed in this country and freedom is universally realised, the very fragile being of universities is endangered.

We appeal to the university communities to preserve the dignity of our institutions and for the sake of peace we call on them and the authorities to avoid the use of force and coercion, the statement said.

The five heads said they thought it important at the beginning of the new academic year to restate some of their fundamental principles. The very life-blood of universities is freedom: freedom to pursue truth through the exploration of ideas. This research and its evidence are shared with students in an atmosphere conducive to creativity and rationality of thought and scholarship. Academic freedom is indivisible from individual freedom and the other freedoms of speech, movement and the press. These freedoms are fundamental to all creativity and can only be preserved if the autonomy of universities is guaranteed, they said.

/9599
CSO: 3400/200

SOUTH AFRICA

WITS STUDENTS PROTEST SADF PRESENCE AT TURFLOOP

MB041551 Johannesburg SAPA in English 1549 GMT 4 Mar 87

[Text] Johannesburg, 4 Mar (SAPA)--A meeting to protest against the presence of SADF troops on the University of the North campus was held at the University of the Witwatersrand [Wits] today.

The meeting, organised by the Black Students Society at Wits, was attended by about 400 students and was addressed by several speakers including the general secretary of the South African Council of Churches, Dr Beyers Naude.

The meeting was held to express solidarity with the students at Turfloop University campus which according to reports had been occupied by police and the SADF.

Dr Naude expressed his "complete support and solidarity" with the protest against the situation at Turfloop University.

He said the students were involved in a daily struggle for their rights to an education which led to suffering at the hands of "apartheid rule."

"How does a student study and attempt to fulfill his academic aspirations under a cloud of repression?

"What guarantee do we have that what is happening at Turfloop will not happen on all other campuses around the country?"

Dr Naude said that while thousands of students were struggling with the issues of the future of education and the future of the country, thousands of people were getting excited about a white election.

While the election might help to promote growth of political awareness, any notion that it would take the country closer to a political solution was an illusion.

He said he was concerned about the disruption in school education which had led to about 200,000 students being unable to obtain their matriculation certificates last year. Without that qualification there was no possibility of them obtaining any meaningful employment.

A student who had been expelled from Turfloop and introduced only as "Comrade Moeti" told the meeting that the presence of the SADF and the police on the campus had resulted in the university administration taking advantage of the situation to impose unreasonable rules.

He said students were woken at 6 am every morning and escorted to the great hall from where they attended lectures and then returned to the hall. Any student found roaming around the campus was liable for a fine.

The meeting was also addressed by a representative of the General and Allied Workers Union who said he could not understand why it was necessary for the SADF and police to be present at universities and in black townships when the government continually stressed that the threat to South Africa was from forces outside the country.

Several other organisations expressed their solidarity with the Turfloop students including the Wits SRC [Students Representative Council], NUSA [National Union of South African Students], the Muslim Students Association, Post Graduate Student Association, the Staff Academic Association, and the SA National Students Congress.

During the meeting the students sang and shouted slogans. Afterwards a group of about 50 sang and danced outside the students unions for about 20 minutes.

/9599

CSO: 3400/200

SOUTH AFRICA

PFP WILL NOT WITHDRAW IN INDEPENDENTS FAVOR

MB031435 Johannesburg SAPA in English 1427 GMT 3 Mar 87

[Text] Cape Town, 3 Mar (SAPA)--The PFP had no intention of withdrawing any of its nominated election candidates in favour of independents, the chairman of the party's federal executive, Mr Ken Andrew, said today. Mr Andrew, Progressive Federal Party MP for Gardens, said in a statement released in Cape Town that the PFP had so far selected candidates in more than 60 seats throughout South Africa and that the nomination process was far advanced in many other seats.

"In response to queries being made from time to time, I wish to make it clear that the PFP has no intention of withdrawing any of its nominated candidates in favour of independents or anyone else," he said.

The PFP believed in building an alliance of reform-minded people "to get rid of the Nationalist government." "However, for such an alliance to succeed, it is critically important that the PFP grows strongly and wins more seats than ever before. Indications from all over South Africa are that this is exactly what is happening, as thousands of disillusioned former Nationalist turn to the PFP as the only viable means of bringing about real reform," Mr Andrew said.

He added that further announcements on nominations of PFP candidates would be made up to nomination day on 31 March.

/9599

CSO: 3400/200

SOUTH AFRICA

SABC SUSPENDS EMPLOYEE STANDING AS PFP CANDIDATE

MB052026 Johannesburg SAPA in English 2024 GMT 5 Mar 87

[Text] Johannesburg, 5 Mar (SAPA)--The SABC has suspended a chief sub-editor at radio news, Mr Mauritz Moolman, who has been nominated as a Progressive Federal Party candidate in the forthcoming general election.

Mr Sakkie Burger, senior news director, confirmed tonight that Mr Moolman appeared before a disciplinary committee this afternoon and was given 24 hours to cease his political activity and retract a statement he made to the press that he had been asked to leave the SABC yesterday.

Mr Moolman tendered 1 month's notice at the beginning of March, but said the corporation wanted him to leave earlier because of his political involvement.

Mr Burger said tonight Mr Moolman had been suspended for 24 hours, having been given until 3 pm tomorrow to respond to allegations that his party political activity and comment to the press is in breach of SABC regulations.

"One of our personnel regulations prohibits SABC staff from participating actively in politics as this disadvantages the corporation," Mr Burger said.

"Mr Moolman has also to rectify a statement he made to a newspaper--(BUSINESS DAY)--to the effect that he was asked to resign yesterday, which is only a half-truth."

Mr Burger said another SABC personnel regulation prohibited employees from disclosing information about the SABC without the written consent of the director general.

Mr Moolman could not be contacted for comment tonight.

Mr Burger said that if Mr Moolman failed to meet the conditions "we will consider the matter further in terms of our disciplinary code. If he does meet the conditions we will reconsider his suspension."

Mr Moolman, who has been named as an election candidate for the PFP in the Mariburg constituency, earlier said his candidacy only became official if he was nominated formally 31 March.

"The point is that the PFP have to date only identified me as a possible candidate in the election.

"The SABC is supposed to be objective. I do not see how my involvement in the PFP could be an embarrassment to the SABC."

Meanwhile, the SABC today confirmed the resignation of specialist television news reporter, Rusty van Druten.

THE STAR newspaper reported from Cape Town that an SABC source had told it Mr van Druten had resigned because the corporation had given inadequate television coverage to a public meeting addressed by Dr Denis Worrall in Stellenbosch last Thursday.

Dr Worrall, a former President's Council member and ambassador to London, is standing as an independent candidate in the general election, contesting the seat held by the minister of constitutional development and planning, Mr Chris Heunis.

His public meeting drew a capacity crowd and was covered by eight international television stations and many foreign correspondents.

Mr van Druten's immediate boss, chief editor of television news and public affairs, Mr Johan Pretorius, said the resignation was going through normal official procedures and he could not say at this stage when Mr van Druten would end his duties.

"I can't comment on the reasons given in THE STAR. They may or may not be right. No employer will comment on the reasons given for a resignation. They are a private matter between the employer and employee."

Mr van Druten himself directed inquiries to the SABC, saying he had an agreement with the corporation not to talk to the press while employed by the SABC.

Mr van Druten, who has been with the SABC for 10 years, has been nominated for an Artes award as best television journalist. The awards are being presented on Saturday.

/9599
CSO: 3400/200

SOUTH AFRICA

COURT HEARING EMERGENCY DETAINEES' APPEALS

MB031125 Johannesburg SAPA in English 1043 GMT 3 Mar 87

[Text] Johannesburg, 3 Mar (SAPA)--Argument is today being presented to the appeal court in Bloemfontein in three appeals connected with the 1985 and 1986 emergency regulations. The appeals are being heard by the acting chief justice, Mr Justice Rabie, Mr Justice Jansen, Mr Justice Joubert, Mr Justice Viljoen, and Mr Justice Hoexter.

In the first case six persons detained under Regulation 3(3) of the emergency regulations of 21 July 1985 are appealing against the dismissal of an urgent application for their release from custody.

The application was dismissed by a full bench of the Cape Supreme Court on 20 December 1985. It was brought by Mr Abdullah Mohamed Omar, a Cape Town advocate; Rev Howard Sikolane Marawo, assistant secretary of the executive conference of the African Reform Church; Mr Marcus Chinnosamy Solomon, projects co-ordinator of the South African College of Higher Education; Mr Leslie Andrews, of Grassy Park--a lecturer at Athlone Technical College; Mr Derrick Rabindranath Naidoo, a teacher at Harold Cressy High School; and Mr Neville Naidoo, a pupil at the Belhar senior secondary school.

The respondents are the ministers of law and order and of justice, the officer commanding Victor Verster Prison, the state president and the commission of police.

The second appeal is by three women from Tinis location, Fort Beaufort, and one from Zwide, Port Elizabeth, against the refusal of a full bench of the Eastern Cape Supreme Court on 4 December 1985 to grant a rule nisi in connection with the detention of members of their families detained on 26 July 1985.

The women are Mrs Marjorie Fani, whose father, Mr Mannie Zetu, was detained; Mrs Mandisa Harriet Nomdumo in connection with the detention of her husband, Mr Malungelo Nomdumo, several members of his family--brother and sister-in-law, Mr Zamile and Mrs Florence Nomdumo; sister, Mrs Mandisa Mhlanga; cousins, Mr Albert and Vukile Nomdumo--and an employee, Miss Phumla Zakhe; Miss Constance Nomakosi Williams for her father, Mr David Williams; and Mrs Ethel Nomfundo Neer, of Zwide, for her husband, Mr Dennis Seholo Neer.

Respondents in the second appeal are against the two ministers, and the officers commanding the St Albans and North End Prisons.

In the third case the state president, the Government of South Africa and the minister of law and order have appealed against an order that the minister must furnish the moderator of the Evangelical Presbyterian Church of South Africa, Rev Jean-francois Bill, in writing with the grounds for his continued detention terms of Regulation 3 of the 1986 regulations.

The order was granted by Mr Justice G. Leveson in the Witwatersrand local supreme court on 4 August 1986 to Mrs Mary Cameron Bill.

It stated that her husband was entitled to consult his legal representative and be furnished with writing materials to enable him to make representations which he had the right to make to the minister. Costs were awarded to Mrs Bill.

The appeals are proceeding.

/9599
CSO: 3400/200

SOUTH AFRICA

SCHWARZ BLAMES UNEMPLOYMENT FOR RISING CRIME

MB051607 Johannesburg SAPA in English 1528 GMT 5 Mar 87

[Text] Johannesburg, 5 Mar (SAPA)--The government's failure to deal with high unemployment had led to an increase in crime, Mr Harry Schwarz PFP MP for Yeoville said today.

Mr Schwarz said that figures he had obtained from the minister of law and order, Mr Adriaan Vlok, showed that the crime rate had increased at twice the rate of the population growth.

Mr Vlok had said in a written reply to a question by Mr Schwarz that 42 murders, 211 serious assaults, 82 rapes, and 18 cases of culpable homicides had been reported in Hillbrow in Johannesburg in the year from July 1985 to 1986.

In the same period, 5,131 vehicles and cycles were reported stolen in the area and 2,548 reports of housebreaking with intent to steal were received.

In his reply, Mr Vlok said the increases in crime could be ascribed to the economic recession, unemployment, and the abuse of the unrest situation by criminal elements.

Mr Schwarz said Mr Vlok's answer was an admission by the government that it had failed to take adequate steps to deal with the unemployment situation which had contributed towards the unrest. These were the major reasons for the increase in crime.

/9599
CSO: 3400/200

SOUTH AFRICA

COMMENTARY DISCUSSES REALITIES OF REFORM

MB050540 Johannesburg Domestic Service in English 0500 GMT 5 Mar 87

[Station Commentary]

[Text] At a time when South African whites are preparing for elections, in which the major issue is evidently the question of reform in the country, the appearance of two authoritative reports is of more than usual interest.

One concerns an opinion poll on the tempo of reform. The other is indirectly concerned with the nature and direction of reform if it is to result in a soundly managed, stable and dynamically developing society.

The reports are worthy of note in a situation in which talk of change is all too often characterized by the use of slogans that show little awareness of achievable goals or of social and economic realities in South Africa.

The first dealt with the results of an opinion poll conducted by the former dean of the faculty of commerce at the University of Cape Town, on white attitudes to reform. It comes at a time when the conflicting criticisms of reform--that it is either too fast or too slow, or even nonexistent--seem to dominate the political debate.

What is of interest is that, according to the poll by Dr John Simpson, white South Africans who favour the present tempo of reform, considerably outnumber both those who wish to hasten it and those who wish to slow it down.

That this finding has profound implications for the political decisiveness with which the country's reform program may continue to be implemented, goes without saying.

The other report was from one of South Africa's leading demographic authorities, Professor Flip Smit, vice rector of the University of Pretoria, in an address to the Association for the Advancement of Science.

Professor Smit's theme was the fundamental restructuring in population characteristics that was under way in South Africa, and the political planning and reorganization that was essential if these changes were to be properly managed for the future development of the country.

The country was having to face up to immense new challenges while many people indulged in petty political squabbling, he warned. It was essentially a plea for political programs--the setting of goals and strategies for implementation--to be derived from the hard realities of the South African situation.

It cannot be denied that much of the political argument on all sides, inside South Africa and among its critics abroad, seems to follow the opposite course. Goals are formulated to satisfy a set of idealized norms and political programs are drafted accordingly, on the assumption that reality can somehow be made to fit the preconceived mold.

Those premises and assumptions then form the basis for particular reform demands and views on the desirable direction and tempo of reform.

But the goals of reform in South Africa--a more just, flourishing and stable society--can only be achieved if they are rooted in the incontrovertible realities of national life. As a process, reform has to accommodate both long-standing social and economic factors and new challenges that have been created by the development process itself. Ignoring them where they do not fit some ideological commitment is the politics of escapism.

/9599
CSO: 3400/200

BRIEFS

SURVEY SHOWS DECLINE IN NP SUPPORT--A Market Research Africa (MRA) survey showing NP support has fallen from 45 % to 34% between mid-1984 and 1986 highlights the existence of an "amorphous" group of uncommitted and apathetic people, MRA's Brian Ross says. The survey, of 2,000 urban whites, also shows support for the opposition parties on the left and the right has remained almost constant. Ross says the NP has lost support because of the absence of leadership in the party, and its disenchanted former followers are unable to identify with any of the other parties. Professor Piet Coetzer, of the UOFS's Institute for Contemporary History, disputes that the findings reflect apathy. Rather, he says, there are many voters with doubts about the NP's reform process. Some feel it is too slow while a smaller number believe it is too fast. He says they are people with a long history of association with the NP who are hesitant to throw their weight elsewhere. This group could, however, be a significant source of support for independent candidates like Denis Worrall and Wynand Malan. UCT political scientists David Welsh agrees that disenchanted NP supporters, with those who would normally vote PFP, could swing the balance in favour of the two independents. [Text] [By Alan Fine] [Johannesburg BUSINESS DAY in English 17 Feb 87 p 7] /9274

1,624 APPLY TO CHANGE RACE--House of Assembly--More than 1,600 South Africans applied to change their race classification last year, the Minister of Home Affairs* Mr Stoffel Botha, said yesterday. He said in reply to a question by Mr Tian van der Merwe (PFP, Green Point) that 1,624 applications for reclassification from one race group to another were received last year, but 522 of the applications were unsuccessful. In reply to another question, which was tabled by Mr Harry Schwarz (PFP, Yeoville), Mr Botha said there were 415,052 white foreigners, mostly citizens of European countries, who were residents in South Africa last year. Mr Botha said there were 4,460,972 white South Africans in the country last year. [Text] [Cape Town CAPE TIMES in English 20 Feb 87 p 3] /9274

UNIVERSITIES LIMIT ELECTION APPEARANCE--Two English-language universities are not allowing any campus meetings involving candidates in the upcoming white election. Both the University of Cape Town [UCT] Wits [Witwatersrand] in Johannesburg say candidates won't be allowed to speak before 6 May because it will constitute electioneering. However a UCT official says debates between candidates from opposing parties will be allowed since he says it ensures a balanced view. [Text] [Umtata Capital Radio in English 1000 GMT 4 Mar 87] /9599

CHILDREN IN PRISON--House of Assembly, 5 Mar (SAPA)--A total of 2,280 children, of whom 1,880 were black, were imprisoned with their mothers last year, the minister of justice, Mr Kobie Coetsee, said today in written reply to a question from Mr Dave Dalling (PFP Sandton). The number as of 31 December last year was 196, he said. In terms of prison regulations a woman prisoner was allowed to have her baby with her "during the period of lactation and for such further period as may be necessary." [Text] [Johannesburg SAPA in English 1142 GMT 5 Mar 87 MB] /9599

PFP WARNS VOTERS OF 'RIGHT-WING' THREAT--The chairman of the Progressive Federal Party, Mr Peter Gastrow, says voters should not allow themselves to be influenced in the coming House of Assembly election by what he describes as the right wing threat in Pretoria. Mr Gastrow said at the start of the PFP election campaign in Pretoria that the future of the country would be determined by the politics of negotiation. But then the government would have to say that serious negotiations were not possible unless the racial delimitation of groups was done away with. [Text] [Johannesburg Domestic Service in English 0500 GMT 6 Mar 87] /9599

NRP LEADER URGES BLACK PARTICIPATION--The leader of the New Republic Party, Mr Bill Sutton says blacks should participate in the parliamentary system because the country's future depends on cooperation between blacks, whites, coloreds, and Indians. Mr Sutton said at an election meeting at Elgin in the western Cape that whites have to realize that their future would be decided in black politics. [Text] [Johannesburg Domestic Service in English 0500 GMT 6 Mar 87] /9599

CSO: 3400/200

SOUTH AFRICA

COUNTRY LOSING SKILLED PROFESSIONAL, MANAGEMENT TALENT

MB021214 Johannesburg SAPA in English 1019 GMT 2 Mar 87

[Text] Johannesburg, 2 Mar (SAPA)--South Africa is now losing an average of three highly-trained professional or management people every day, said Hay Management Consultants managing director, Mr I. van Raynsborg in Johannesburg today. "What until recently was merely a bothersome trickle is gradually building up to a serious brain drain," said Mr I. Raynsborg.

"The impact of the fluctuating exchange rate has had a devastating effect on the ability of South Africans to buy goods compared with counterparts in other countries," he added. "A combination of the dark future suggested by the political climate and the officially devalued rand has led overseas managers--who once jumped at the chance of moving to this country--to turn down even the most generous offers of jobs in SA. Most business people are aware of this picture and salary comparisons merely bring another perspective to the broad picture."

SA had traditionally recruited skills from Europe using high salaries, job progression and sunshine as the bait, he said. "But the salary levels relative to the cost of living and the uncertain future have changed all that."

Because exchange rates were a poor measure of the comparative value of money, the European Organization for Economic Cooperation and Development has produced a money value comparison system based on purchasing power parity (PPP). "PPP's show how many units of currency were needed in one country to buy the same amount of goods and services as one dollar in the United States.

"The change in PPP's from one year to the next between any pair of countries was determined by the relative rates of inflation in these countries," said Mr I. van Raynsborg.

South African salary increases had not kept pace with inflation, said P-e [as received; expansion unknown] Remuneration Service manager of salary surveys, Miss Maomi Brehm: "In effect, executives in SA are worse off than they were a few years ago. Local executives currently earned an

average of 40 percent to 50 percent less than most of their European counterparts in terms of PPP. West Germany and France dominated the world in executive pay PPP," she said. "Good executives are highly mobile globally and will move to what they view as favorable jobs if they are able to maintain or improve their standards of living." The top five U.S. executives earn 12.7 million, 11.426 million, 8.431 million, 6 million, and 4.756 million dollars. The top five UK executives earn 883,000, 542,000, 449,000, 410,000, and 392,000 pounds.

The situation that had developed in SA over the past 2 years could be attributed to the high inflation rate and the heavy tax burden, said Miss Brehm. "The effect on the SA pocket has been disastrous: We have lost vital management skills overseas where prospects appear brighter. In return it has become far more difficult for us to recruit people from abroad. This seriously impacts on productivity and the way in which companies in SA are being run," she said.

"Companies are doing nothing overt to try and remedy the problem. Usually they try to provide more favorable circumstances to attract multinationals. But since companies have gone through a recession themselves they don't have the money to provide fancy fringe benefits. The result is that there are fewer and fewer multinational managers."

SA could continue to hold a mass of real opportunities for skilled management at all levels, but these opportunities will have to be aggressively marketed through a sensitive, well thought-through plan, professionally presented, because the reality is that SA business needs these additional skills to grow and prosper.

/9604
CSO: 3400/199

SOUTH AFRICA

U.S. NORTON ABRASIVES FIRM ANNOUNCES DISINVESTMENT

MB040931 Johannesburg SAPA in English 0857 GMT 4 Mar 87

[Text] Johannesburg, 4 Mar (SAPA)--Mr Neville Parry, chief executive of Global Mining and Industrial Corporation (Glomine) and Mr Colin Williams, the managing director of the South African arm of the huge U.S. abrasives group, Norton, confirmed today that Glomine is to buy out Norton SA for R14.9 million. Mr Williams will join the Glomine board.

Norton's U.S. chairman, Mr Donald Melville, also confirmed Norton's disinvestment from SA. He said: "Anti-South African pressure here (in America) and the sitruded environment (in South Africa) has been swallowing a disproportionate amount of our management's time," he said.

Norton Abrasives in SA produced only about 2 percent of the group's world revenue, he added.

Glomine will now become the holding company for Norton in SA via a deal using local funds with no buy-back arrangement for the parent company.

Mr Parry said the Norton buy-out would "significantly" lift Glomine's earnings a share. Earnings could top 20c a share compared with 9c for the year to last September. The group will now enjoy a penetration of more than half the South African market.

All employees at Norton would keep their jobs, said Mr Parry. Agreements with the Metal and Allied Workers Union would continue as well as adherence to the Sullivan code.

Under a distribution licensing agreement, Norton SA will keep its name, and its products would be marketed under the Norton trademark.

/9604
CSO: 3400/199

SOUTH AFRICA

COMMENTARY NOTES 'SECOND THOUGHTS' ON DISINVESTMENT

MB060539 Johannesburg Domestic Service in English 0500 GMT 6 Mar 87

[Station commentary]

[Text] Ninety-three United States companies have disinvested from South Africa since 1985. That figure is provided by a Washington organization, The Investor Responsibility Research Center, that monitors the disinvestment campaign. According to the center, the withdrawal of American companies from South Africa has scarcely had an effect on employment--with the exception of Eastman Kodak.

Generally encouraging as this situation might be, it reflects the short-term impact of disinvestment. The longer term impact could well be influenced by the decline of, or absence of, new investment from the United States and some other countries; and the influence that this, in turn, will have on the creation of new employment opportunities and on the national economy in general. It is expected that those chiefly at risk in respect of this longer term perspective will be black communities. These communities have also benefited least from the other significant short-term outcome of the disinvestment campaign--the ease with which disinvesting companies have been taken over by local management or other concerns without major black participation. Another disadvantage of disinvestment for black workers is that the Sullivan Code--designed specifically to promote the working and social environment of black workers--does not have to be implemented by those taking over from former American companies.

These sober lessons from the disinvestment experience appear to be creating growing concern among radical black spokesmen about the adverse effects of disinvestment. In a television program broadcast in Britain this week, Mr Chris Dlamini, vice-president of the Federation of South African Trade Unions, said that although he was in favor of sanctions against South Africa he had never pleaded for disinvestment because disinvestment was evil. Dr Allan Boesak said that even though he and Archbishop Desmond Tutu had urged disinvestment in the past it was now very low on their list of priorities.

The president of the National Union of Mineworkers, Mr James Motlatsi, and the unions' chief secretary, Mr Cyril Ramaphosa, said last year that South African miners were prepared to lose their jobs in order to end apartheid. But as soon as workers in certain mines and at the General Motors plant in Port Elizabeth began losing their jobs because of economic pressures they were quick to do an about-face on the issue.

Earlier this year, a commission of the Southern African Catholic Bishops Conference recommended that the Roman Catholic Church abandon its previous support for economic pressures because of the harmful and counterproductive consequences of such pressures.

The evidence is mounting that those who have been most vociferous in calling for disinvestment and sanctions are having second thoughts now that the reality of economic action is being seen in practice.

/9604
CSO: 3400/199

SOUTH AFRICA

STATISTICS REVEAL DECLINE IN WHITE INCOMES

MB041049 Johannesburg SAPA in English 1039 GMT 4 Mar 87

[Text] Johannesburg, 4 Mar (SAPA)--The average total direct and indirect income of white households was R33,932 a year in 1985, the latest period for which annual figures are available, said a report of the Central Statistical Services just released.

The report said that, calculated at constant 1975 prices, this represented R9,972 a year. This meant that the average income of white households had declined in real terms since 1975, when actual income had been R10,215 a year.

During 1985 the average annual expenditure of white households was R34,117, which was slightly more than the average income.

Calculated at constant 1975 prices the expenditure was R10,026 per year which in real terms was a decline of 2.5 percent as measured against 1975 (in 1975, average annual expenditure per household was R10,281).

The report says that: "With regard to the average expenditure pattern on certain main items in relation to that of 1975, there has been a relatively large decline in the expenditure on food (2.4 percentage points), furniture and equipment (1.6 percentage points), clothing and footwear (1.5 percentage points) and transport (1.7 percentage points).

"However, relatively high increases occurred in housing (2.6 percentage points) and income-tax, financing, insurance and investments (9.3 percentage points).

With regard to the various urban areas, the average annual income in Pretoria and Verwoerdburg was the highest, at R40,050 while that in East London was the lowest, at R26,208.

"With regard to the average expenditure, it was respectively the highest and the lowest in the abovementioned areas, namely R40,192 and R26,369 a year.

Although the spending patterns between the various areas showed little variance among themselves there was still the occasional noticeable exception.

"For example the households in Bloemfontein spend an average 21.0 percent (R6,856 a year) of their total income on housing, while households in Klerksdorp, Stilfontein and Orkney spent only 17.3 percent (R5,927 a year) of their expenditure on housing.

"The expenditure with regard to holidays comprises on average 1.0 percent of the spending of the households in Durban and Pinetown, while the corresponding figure for the Cape Peninsula and also Pietermaritzburg is 3.0 percent.

"Income-tax, insurance, finance and investments comprise an average as high as 34.6 percent of the expenditure of the households in the Witwatersrand, while in East London it comprises an average of 28.8 percent.

/9604
CSO: 3400/199

SOUTH AFRICA

MANUFACTURING ACTIVITY CONTINUES TO IMPROVE

MB041402 Johannesburg SAPA in English 1358 GMT 4 Mar 87

[Text] Johannesburg, 4 Mar (SAPA)--Manufacturing activity is continuing to improve, as reflected in the latest figures from the index of physical volume of manufacturing production released by the Central Statistical Services (CSS) office in Pretoria.

The CSS report showed that production for the 3 months up to November 1986 reflected a seasonally-adjusted increase of 4.3 percent compared with the previous 3 months.

The report said that: "Noticeable increases were recorded for textiles (12 percent), wearing apparel (14 percent), leather and leather products (16.3 percent), furniture (13.4 percent), rubber products (11.2 percent), basic non-ferrous metal industries (12.3 percent) and machinery and equipment (13.1 percent).

"The total value of sales for November was 8.5 percent higher than that for November 1985.

"Increases occurred in all the manufacturing major groups with the exception of beverages (-8.8 percent) and other chemical products (-20.1 percent)."

Relatively large increases were posted in the textile (24.8 percent), leather (28.9 percent), furniture (25 percent), paper (28.3 percent), electrical machinery (23.2 percent), professional and scientific, measuring and controlling equipment (25.3 percent) and "other" (20.6 percent) industries.

/9604
CSO: 3400/199

SOUTH AFRICA

AMCHAM TO ADMINISTER SULLIVAN PRINCIPLES

MB041321 Johannesburg SAPA in English 1319 GMT 4 Mar 87

[Text] Johannesburg, 4 Mar (SAPA)--When the Reverend Leon Sullivan cuts his ties with South Africa later this year, the Sullivan principles will be taken over and administered under the direction of the American Chamber of Commerce (AMCHAM), the magazine INSIDE SOUTH AFRICA has reported.

This means that the code introduced by the Reverend Sullivan and which established the standards for improving the working lives of black employees will become a South African institution, run mainly by South Africans--which many feel is right.

Although AMCHAM's executive director, Mr Ken Mason, was reluctant to discuss the matter at this stage, INSIDE SOUTH AFRICA said it has received information from reliable sources that AMCHAM would pick up the ball after the Rev Sullivan quits, probably in May.

Sullivan has set a deadline to withdraw his code at the end of May if apartheid is not totally eliminated by then.

The same signatory association which presently monitors the principles for Sullivan will probably continue doing so under the AMCHAM umbrella.

Mr Mason said: "We will determine how the signatory association will fit together. We are trying to resuscitate it and it might take on a new form. There will be an 11th report to the United States because the signatory remains," he said.

/9604

CSO: 3400/199

SOUTH AFRICA

BRIEFS

INCREASE IN MANUFACTURERS' PROFIT--Johannesburg, 4 Mar (SAPA)--Latest figures on the net profit of manufacturers as reflected by a Central Statistical Services (CSS) report--for the 3 months to end-September 1986 show an increase of 31 percent compared with the corresponding quarter of 1985. The CSS statistics showed an increase of 7.3 percent compared with the quarter ended June 1986. The report says: "The textile, paper, machinery and basic metal industries were mainly responsible for the increase between the third quarter of 1985 and the third quarter of 1986, whereas textiles and industrial chemicals were the main contributors towards the increase between the second and third quarter of 1986. Interest received and paid for the September quarter showed decreases of 22.3 percent and 14.5 percent respectively compared with the September 1985. The food and other chemical industries were the main contributors to the first-mentioned decrease, whereas the paper, chemicals and non-metallic mineral product industries were mainly responsible for the decrease in interest paid." [Text] [Johannesburg SAPA in English 1229 GMT 4 Mar 87] /9604

SUPERMARKET WORKERS WIN WAGE INCREASE--Pick'n Pay has agreed to make May Day and 16 June paid holidays. In talks with the Commercial Catering and Allied Workers' Union the retail store's management has also agreed to an increase of over 25 percent. That's the highest wage increase in South African labor history. The union says the average wage of Pick'n Pay workers is now 612 rands a month. An across-the-board wage increase of 100 rands has also been awarded to Pick'n Pay workers as of 1 March. [Text] [Umtata Capital Radio in English 0600 GMT 4 Mar 87] /9604

RETAIL TRADE FIGURES SHOW INCREASE--Johannesburg, 4 Mar (SAPA)--The latest total retail trade sales for which figures are available--November 1986--showed an increase of 12.7 percent compared with November 1985, said a report just released from the Central Statistical Services (CSS) office in Pretoria. Seasonally adjusted, the November figure reflected a decline of 3.5 percent compared with October 1986. The CSS reported that real retail trade sales (at constant 1980 prices) for November showed a decrease of 7.8 percent compared with November 1985 and a seasonally-adjusted decrease of 4.3 percent compared with October 1986. The CSS said: "For the 3 months September to November 1986, real retail trade sales are almost on the same level than for the previous 3 months. The

largest increase for the last 3 months to November 1986 compared with the previous 3 months occurred in mens and boys clothing ("10.1 percent), other household furniture ("7.9 percent) and audio equipment ("6.7 percent)." However: "These increases were neutralised by decreases in food (-22 percent), sport requisites (-9 percent), and jewellery (-10 percent)." [Text] [Johannesburg SAPA in English 1311 GMT 4 Mar 87] /9604

NEW OIL FIND NOT VIABLE--The director general of mineral and energy affairs Dr Louw Alberts has confirmed that SOEKOR [Southern Oil Exploration Company] has discovered another oil field off Mossel Bay. The new find is about 120 km off the coast and about 80 km south of the existing gas fields. However, Dr Alberts told our Pretoria news staff that find was uneconomical to exploit, as it yielded only about 4,000 barrels a day. He said a yield of 10,000 barrels a day over a period of 15 to 20 years would have been considered economical. [Text] [Johannesburg Domestic Service in English 1915 GMT 5 Mar 87] /9604

MOBIL OIL GROUP WILL NOT DIVEST--The minister of economic affairs and technology, Mr Danie Steyn, says the Mobil Oil Company will not divest from South Africa, because it would not be advantageous to this country or to the company's employees or shareholders. He was speaking at the opening of the new Mobil Court building in Cape Town last night. [Text] [Johannesburg Television Service in English 0400 GMT 6 Mar 87] /9604

CSO: 3400/199

END